C27103

#BXBBDJB********5-DIGIT 20814
#030322908 2#02AN23951 99LWZ
ACQ EDITOR
ACQ EDITOR SRI
CONGRESSIONAL INFO SERV
4520 EAST-WEST HWY STE-300
BETHESDA MD 20814

Automotive

SEPTEMBER 28, 1992

Entire contents © 1992, Crain Communications, Inc. Use of editorial content without permission is strictly prohibited.

$75/YEAR; $2/COPY

GM supplier blitz takes toll

Rockwell exit may threaten timetable for electric car

AL FLEMING
Industry Editor

The aggressive, warrior-like tactics of General Motors' worldwide purchasing czar have prompted a major supplier to withdraw from GM's electric vehicle project, raising the possibility the Impact could be delayed.

GM last week, however, said the project is still on schedule.

Rockwell International Corp. has pulled the plug on a single-source program to develop and produce plastic body panels for GM's electric car, scheduled for introduction in mid-decade.

Rockwell Automotive in Troy, Mich., declined comment, but sources close to the project said the company made the decision when asked by GM purchasing to rebid on the electric-car contract.

The move is an example of suppliers chafing under GM's three-month-old blitzkrieg on costs. In June, J. Ignacio Lopez, GM vice president in charge of worldwide purchasing, canceled existing supply contracts and threw them open to bids worldwide in an effort to cut costs. Sources said Rockwell's management decided that if GM would not honor an existing contract, it could not be trusted to honor a new contract.

A few months ago, it would have been heresy for a supplier to turn down GM business. Rockwell's bold action is raising eyebrows in Detroit. Major suppliers such as Rockwell, with long histories of doing business with GM, are repelled by what they feel are questionable tactics by Lopez and his purchasing organization.

The officer of a major supply firm said, "We all made a lot of adjustments to accommodate 3-2-2 (GM's program to reduce supply costs by 7 percent from 1991 through 1993). With Lopez, it just comes down to competing with the low- priced guy. We're deciding whether it's worth doing business with him."

Lopez swings ax at meeting > '34

Lopez: GM's purchasing czar

Growing numbers of suppliers say they will continue to bid on GM contracts involving commodity products, but not on the advanced programs requiring major investments in new technology, facilities and equipment.

see LOPEZ, 34

late news

GM reviewed by Moody's

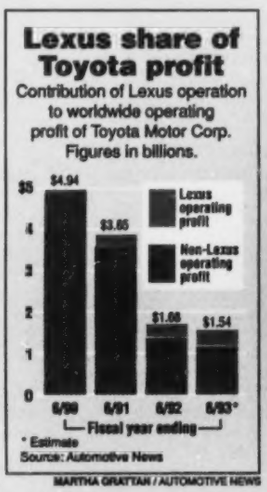
NEW YORK — The long-term debt and commercial paper of General Motors and its subsidiaries is under review for a possible downgrade by Moody's Investors Service, a move that could make it more expensive for GM to borrow money.

Moody's said last Friday that it will review GM's competitiveness in core product areas, its ability to improve operations during the soft market, the effectiveness of its cost-reduction programs, its ability to raise capital to implement product programs, how labor unrest might adversely affect operations and how continued erosion of GM's balance sheet could hurt its major subsidiaries.

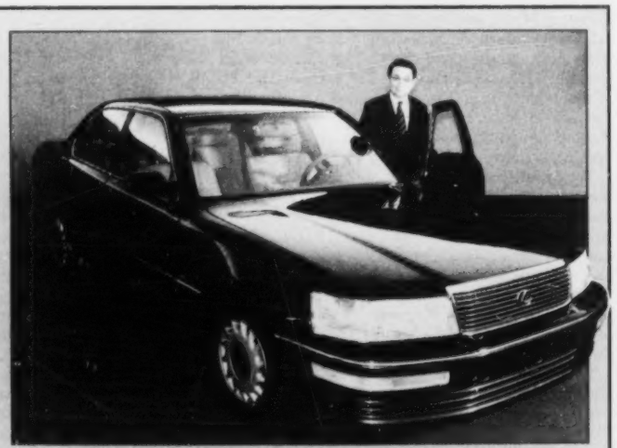
Those subsidiaries include GM Hughes Electronics Corp., Electronic Data Systems Corp. and General Motors Acceptance Corp.

Two events last week contributed to Moody's review: GM's decision to cut production estimates for the second half of 1992 and a strike at a Lansing, Mich., body plant.

see LATE NEWS, 2



MARTHA GRATTAN / AUTOMOTIVE NEWS



Lexus Chief Engineer Ichiro Suzuki zealously avoided the gas-guzzler tax by reserving approval on design changes that would add more than one-third of an ounce to the LS400's weight.

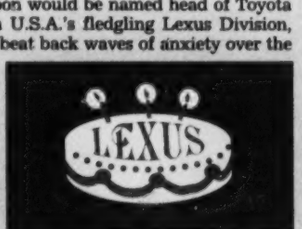
'We achieved the dream'

In just three years, Lexus redefined luxury

These articles were reported by Staff Reporters Kristine Stiven Breese in Los Angeles; Diana T. Kurylko in Frankfurt; and Richard Johnson and Mary Ann Maskery in Tokyo. They were edited by International Editor James R. Crate in Detroit.

It had been a long flight from California, and J. Davis Illingworth had wrestled with demons most of the way.

For 13 hours, as the Japan Air Lines plane flew westward toward Tokyo, the 44-year-old executive, who soon would be named head of Toyota Motor Corp. in U.S.A.'s fledgling Lexus Division, fought hard to beat back waves of anxiety over the project he was about to see.



But the anxiety remained, hounding him through the night. *So much is riding on this*, he'd remind himself. *You have to get it right.*

On the ground on that sparkling March morning in 1987, Illingworth's fears persisted. But as he caught his first glimpse of the car, a silver LS400 prototype, he knew that everything was fine.

The demons were gone. Illingworth had seen his first Lexus.

A BRAND NEW FORCE

Perhaps appropriately, the car that caused Illingworth so much grief that night in 1987 has since wreaked equal havoc on the nerves and equilibrium of scores of automotive executives at rival companies around the globe.

Indeed, in the three years since it went on sale in the United States in September 1989, Lexus has stood the industry on its ear as few cars have.

By presenting a challenge that few thought attainable — a superior-quality, volume-produced luxury car priced below $40,000 — Lexus almost overnight moved the price/value bar in the segment to stunning new heights.

All the marques that once dominated the luxury class have felt the new competitor's bite. Sales of all Lexus models, which rose 12 percent in 1991 over 1990 to 71,206 units, were up 46 percent for the first eight months of 1992 to 59,955. About one-third of last year's sales and 40 percent of this year's have been the near-luxury ES sedan.

And the gains continue to come out of competitors' pockets: Through July, 39 percent of trade-in Lexus sales were defectors from European marques; 38 percent came from U.S. marques; and

see LEXUS, 16

Porsche AG replaces Arno Bohn

DIANA T. KURYLKO
Staff Reporter

FRANKFURT — Arno Bohn's abrupt departure as chairman of Porsche AG last week was apparently prompted by worse fiscal-year results than the controlling families had expected.

Bohn: In in Feb., out in Sept.

Last Friday, the Porsche supervisory board unanimously named one of its members as Bohn's replacement, probably on a temporary basis.

Wendelin Wiedeking, 40, the board member responsible for production, will serve as speaker, rather than chairman of the board of management, giving the families that own Porsche greater daily control over the company.

Because Bohn is departing just before the release of Porsche's 1991-92 fiscal year results, analysts speculate that a loss will be reported. Bohn predicted at the annual meeting in March that the company would show a profit.

see BOHN, 35

Paint flaw haunts Nissans in Tenn.

11,000 damaged; acid rain suspected

LINDSAY CHAPPELL
Staff Reporter

NASHVILLE, Tenn. — Nissan Motor Corp. in U.S.A. is selling more than 11,000 new cars and trucks at discount rates to fleets, auctions and company employees because of a mysterious paint problem at its U.S. factory.

The company suspects that acid rain caused surface damage to at least 11,000 vehicles located outside Nissan Motor Manufacturing Corp. U.S.A.'s plant in Smyrna, Tenn. Other automotive operations in the region — including dealerships and General Motors' Corvette plant 90 miles away in Bowling Green, Ky. — have experienced similar problems.

The Saturn Corp. plant in Spring Hill, Tenn., has not reported any similar damage.

Nissan is titling most of its damaged vehicles and selling them at discounts to dealers, auctions, employees and fleet buyers as used vehicles.

Officials at the Nissan plant say they have not determined the cause of the problem. Imported vehicles at a Nissan distribution center located beside the factory also were damaged, including dozens of Infiniti, Pathfinder, Maxima and 300ZX models.

In Bowling Green, similar conditions prompted the Chevrolet Corvette plant to begin covering its completed vehicles with plastic sheets this summer. Past incidents have required the sports-car plant to repaint the cars.

The problem at Nissan affected mostly Sentras, pickups and Altimas. About 1,300 Altimas had to

see NISSAN, 34

inside Automotive News

CAMPBELL QUITS CAMP
46-year-old GM fast tracker moves to Textron helm. PAGE 4

NEW BOSS FOR VOLVO
Joseph Nicolato resigns; Mats Ola Palm takes over. PAGE 4

ATYPICAL MID-SEPTEMBER
Daily sales rate dips 3.9%; even trucks feel pinch. PAGE 6

MODEL-YEAR CHAMPS
Toyota, Caravan, F series emerge as '92 winners. PAGE 8

VAN VANGUARD
Chrysler team keeps watch over minivan build. PAGE 8

N. AMERICA CIVIC COUPE

▲ Honda adds Ohio-, Ontario-built coupe to '93 line. PAGE 21

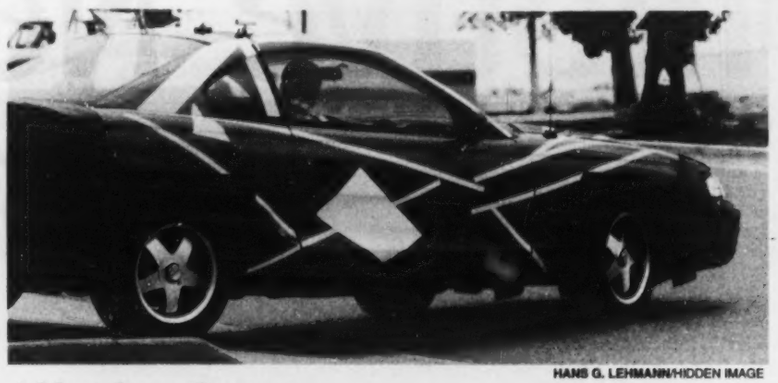
DEPARTMENTS	Page
Auction ads	24-27
Classifieds	28-32
Comment	14
Dealers	27
Digest	34
Incentives	36
Keith Crain	12
Legal file	15
Letters	12-14
Obituary	19
Opinion	12
Personnel	31

SEPTEMBER TABLES	Page
SEPTEMBER 7	
Sales, August top 10	44
Sales, August by maker	44
Sales, year to date by maker	45
Sales, domestic car by model	45
Sales, light-truck by model	45
Production, weekly/August totals	47
SEPTEMBER 14	
Sales, imported car by model	33
Sales, Canada by make	10
Sales, dealer by make	9
Inventory, as of Sept. 1	35
Production, weekly by model	39
SEPTEMBER 21	
Sales, 10 day (Sept. 1-10)	29
Sales, truck by gvw	18
Production, weekly by model	35
TODAY	
Sales, 10 day (Sept. 11-20)	6
Production, weekly by model	37

66th year—No. 5466
Advertising Production Dept. (313) 446-6063
Circulation Department
In Michigan ..... (313) 446-0460
Outside Michigan 1-800-678-9595
Classified Ad Department ..... (313) 446-6065
Display Ad Department ..... (313) 446-6030
Editorial & Business Offices ..... (313) 446-6000
AUTOMOTIVE NEWS (ISSN 0005-1551) is published weekly except semiweekly the fourth week in May at 1400 Woodbridge, Detroit, MI 48207-3187. Second-class postage is paid at Detroit, MI and at additional mailing offices. Postmaster: Send address changes to AUTOMOTIVE NEWS, Circulation Department, 965 E. Jefferson, Detroit, MI 48207.

correction

The Oldsmobile Bravada has a high-output, 200-horsepower, 4.3-liter V-6 engine as standard equipment. The same engine is an option for the Chevrolet S10 Blazer and GMC Jimmy. A Sept. 21 story on Page 33 incorrectly stated the availability of the engine with the Chevrolet and GMC sport-utilities.



HANS G. LEHMANN/HIDDEN IMAGE

A blast from the past

This spy photo shows that Ford designers have sculpted a bodyside scoop in the next-generation Mustang that is reminiscent of the original pony car, introduced in April 1964. The new Mustang is expected in Ford showrooms for either the 1994 or 1995 model year.

latenews

CONTINUED *from* PAGE 1

UAW strikes GM Lansing

More than 4,000 UAW workers at the General Motors body assembly operations in Lansing, Mich., walked off the job Friday over issues relating to relief scheduling and work loading. Talks were scheduled to reconvene Saturday, but the impact was immediate, forcing GM to shut its chassis operation there.

The union wants GM to reactivate about 300 people placed in GM's Job Opportunity Bank-Security program when the company changed plant relief time schedules. Workers in the program receive 100 percent of their pay and benefits even though they have no jobs.

The local also wants additional manpower to ease workloads in the plant.

— Liz Pinto

Ford warns of buckle flaw

DEARBORN, Mich. — Ford Motor Co. is notifying owners of about 337,200 1984-85 Ford Mustangs and Mercury Capris that the front seat belt buckles may break.

Ford said a small plastic component in the belt buckle assembly may deteriorate due to long-term exposure to sunlight. If it breaks, the buckle may separate from the belt webbing.

CAMI rebuffs union overture

The striking union at CAMI Automotive Inc. in Ingersoll, Ontario, was rebuffed last week in an effort to open negotiations with the company.

Canadian Auto Workers bargaining representatives approached the company twice with what appeared to be concessions to their original demands. But a CAW spokeswoman said no talks are scheduled for the joint venture and none are expected.

CAMI, a joint venture between General Motors of Canada Ltd. and Suzuki Motor Co. Ltd., went on strike Sept. 14 over compensation and worker grievance issues.

Union officials said they offered to negotiate a three-year phase-in of contract agreements with the company, and also indicated that they now would accept non-parity with the rest of GM's Canadian work force. By special agreement, CAMI workers earn about $1.33 Canadian ($1.07 U.S.) less an hour than other GM workers in Canada, and about $1 Canadian (80 cents U.S.) less in benefits.

— Lindsay Chappell

Moody's looks at Volvo rating

LONDON — Commercial paper ratings for AB Volvo of Sweden and its subsidiaries is under review for a possible downgrade by Moody's Investors Service, Moody's announced last week.

The review focuses on the adequacy of Volvo's debt-reduction efforts, considering the continued sluggish worldwide vehicle market and growing financial pressures in Scandinavian countries, Moody's said. Volvo's debt was being reduced more slowly than expected, Moody's said.

New Camaro to pace Indy

INDIANAPOLIS — The redesigned 1993 Chevrolet Camaro Z28 will pace the Indianapolis 500 on May 30.

This marks a record ninth time for Chevrolet as an Indy 500 pace car and a record fourth time for the Camaro.

The new Camaro Z28 coupe and its 275-horsepower version of the Corvette LT1 5.7-liter V-8 engine will be able to pace the 77th running of the race without performance modifications.

Fiat reports 55% profit dip

FRANKFURT — Fiat SpA, parent company of the automaker, said group pretax profit fell 55 percent in the first half to $566 million from $1.25 billion a year earlier.

Revenues were up 2 percent to $22.53 billion from $22.17 billion in 1991.

Fiat Auto, the company's core business, sold 918,000 units in the first six months with a 12.6 percent market share in Europe, compared with 973,000 cars and a 13.5 percent share a year earlier.

— Diana Kurylko

Dems push content clause

WASHINGTON — In an 11th-hour move, congressional Democrats attached a tough domestic content labeling law to a key transportation funding bill that emerged from a House-Senate conference committee late Thursday.

The law would require that cars sold in the United States carry a label detailing the percentage of domestic content in the engine, transmission and the entire vehicle.

U.S. and Canadian content would be considered "domestic," but labor costs would not be included in the calculation. Importers have criticized the bill as a "back-door, Buy American" maneuver. A veto by President Bush is unlikely.

— Max Gates

GM, Iveco eye Argentina

General Motors and Iveco, the Italian truckmaker, are studying a joint venture in Argentina to build trucks or cars.

Nothing built would conflict with Iveco's truck line, said Albert Buchanan, the senior adviser to the company that is handling the negotiations. But a joint venture could affect one of two distribution agreements GM now has in Argentina, which will run out this year, he said.

One involves local assembly of Brazilian-built kits for pickups and distribution by the Sevel group and marketed under the Chevrolet name.

The second agreement is with Ciades, in which Renault of France is a minority shareholder. Ciades sends Renault's Trafic van to Brazil, to be marketed there with the Chevrolet nameplate, while GM Brazil sends to Argentina its Chevette subcompact and the Chevy 500 pickup version, both of which are marketed with a GMC nameplate.

— Rik Turner

briefly

Ads say Saturn is slow good

Saturn Corp. wants to make sure that out-of-cars doesn't result in out-of-mind. To reassure wannabe Saturn owners, the company is running newspaper ads explaining that high demand for the import-fighters has left cupboards almost bare — for the time being. "Of course we could build them faster," touts one ad. "It's just that we won't."

STOCK OPTION — The first Chinese company to be listed on the New York Stock Exchange could be a carmaker. **Brilliance China Automotive Holdings** is preparing its paperwork for the Big Board. It owns 51 percent of **Shenyang JinBei Passenger Vehicle Manufacturing Co.**, the company that has a joint venture with **General Motors** to build pickups.

FORD FANS — Readers of *Design News*, an engineering magazine, were asked this year to name the U.S. automaker "with the best combination of technical know-how and business acumen." Results: **Ford Motor Co.**, 56.1 percent; **GM**, 25.2 percent; **Chrysler Corp.**, 17.0 percent. Readers also named the Ford Taurus their favorite "New Car I Would Buy Today." **Lexus** was their favorite luxury car under $35,000 and **Mercedes-Benz** their favorite without regard to practicality or cost.

SHOPPING BAGS — Car thieves in Detroit are stripping the airbags out of their targets and selling them to unscrupulous auto parts dealers. Police Chief Stanley Knox said stepped up inspections of used-parts dealers have resulted in two junkyard closings and some fines. No numbers are kept on this relatively new crime, but one Detroit victim was a police commander whose unmarked **Ford** Taurus was stolen from his driveway.

POWERFUL TIE-UPS — J.D. Power and Associates, whose mission is to help automakers put more cars on the road, has been bitten by the hand that feeds it. The market research firm has opened a satellite office in Torrance, Calif., closer to the Los Angeles-area headquarters of many of its Asian import customers. Why? Power and its clients want to meet "without having to contend with the near impossible traffic problems" around firm headquarters in Agoura Hills, Calif.

WHERE'S THE STOPWATCH? GM will bring the electric Impact next month to Convergence '92, part of which happens on a **Ford** test track in Dearborn, Mich. A total of 13 electric vehicles are coming to the party.

ALL IN THE TIMING — Synchronous operation isn't just for manufacturing anymore at **Oldsmobile**. General Manager John Rock ordered the sales and marketing employees to undergo the same type of training given to GM manufacturing employees. Strategies include reducing lead time, building in small lots, organizing facilities and equipment to improve production flow, leveling the production schedule and verifying quality. Rock believes creating a proper atmosphere to attract buyers requires a change in thinking from the top of the organization to the bottom.

Rock: all of Olds gets trained

Chevrolet looks beyond '93 to new products

PHIL FRAME
Staff Reporter

GOODISON, Mich. — Taking a page from Lee Iacocca's book, Chevrolet General Manager Jim Perkins climaxed a preview of the division's 1993 products with a slide show of seven future cars and trucks.

The goal was to show that reinforcements — in the form of fresh new models — are coming in a wave between now and the 1995 model year.

The future-product presentation also was intended to keep journalists from reporting how badly Chevy is doing because its cars and trucks are old.

Iacocca and Chrysler Corp. used the same tactic before the 1981 model year introductionof the K-cars and last year with the 1993 LHs to show that rumors of that company's demise were unfounded.

Perkins showed off the next Camaro, due midway through the 1993 model year; the 1994 Monte Carlo coupe; the 1994 Lumina sedan redesign; the 1994 S10 pickup redesign; the S10 two-door and four-door Blazer redesigns due midway through the 1994 model year; and the 1995 Cavalier redesign.

"Between now and 1996, nearly all of our cars will have a major redesign, and between now and 1998, nearly all of our trucks," Perkins said.

Some of Chevrolet's 4,555 dealers have complained that parent General Motors has ignored the needs of its biggest division while pouring out billions of dollars to launch Saturn Corp.

To counter that claim, many of the corporation's top executives attended last week's preview at a Detroit area cider mill to show they support Chevrolet.

While the future may appear bright for Chevrolet based on the slides of the new vehicles, the problem will be getting through the 1993 model year, which Perkins admitted will be a year of transition.

In other words, Chevrolet dealers should prepare themselves for a rerun of what happened in the 1992 model year. Perkins said sales in the 1992 model year are expected to total 1,019,000 cars (down about 14 percent from the previous model year) and 1,186,000 trucks (up about 9 percent).

In the 1991 model year, Chevrolet beat Ford Division in car sales and lost in trucks. In the 1992 model year, Ford will win both crowns by comfortable margins.

Through eight months of the calendar year, Chevrolet sold 720,378 cars, compared with 825,540 for the same period of 1991. Chevrolet sold 776,740 trucks in the first eight months of 1992, compared with 733,616 in 1991.

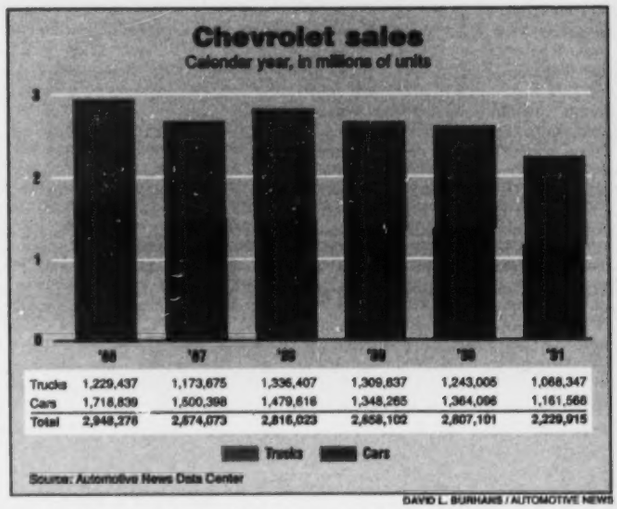
Perkins said he doesn't believe the 1993 model year for cars will be much better — a 3.5 percent sales growth for Chevrolet compared with industrywide sales growth forecast at 5 to 8 percent. That translates to industry car sales of 8.2 million to 8.9 million.

Chevrolet will suffer because it expects one-third fewer fleet sales, mainly because GM ceased subsidies for daily rental fleets.

"Program cars saved a lot of grief for a lot of people, but we've got to find the balance point," Perkins told the group.

He said the program car busi-

see CHEVY, 33



DAVID L. BURHANS / AUTOMOTIVE NEWS

HONDA ISN'T RESTING

Minivan, V-6, sport-utility eyed

DAVID VERSICAL
National Editor

DETROIT

Honda's U.S. sales boss came to the Motor City with news to dispel any conceptions that Honda has lost its edge.

Thomas Elliott, executive vice president of American Honda Motor Co. Inc., was coy about details, but strongly suggested that the company:

- Will offer a V-6 in the next Accord, due out next year.
- Will build a minivan.
- May sell a sport-utility.

And he has already started a program to bolster lagging sales satisfaction levels at dealerships.

The product plans cut to the heart of questions about the Honda line. By some popular accounts, the division has grown conservative while leading the U.S. sales charts for three years with the Accord.

But Elliott, in Detroit for a press preview of Honda's 1993 line, dismissed the suggestion that Honda has lost its glow.

"The halo is not diminishing," he said in an interview with *Automotive News*. "There are just a whole lot more alternatives out there."

Lots of those alternatives have V-6 engines or are trucks, but Honda finally appears ready to compete head-to-head.

Elliott gave no specifics on the V-6, and he did not say if it would be ready in time for the start of 1994 production next year. But his words came as a rare, firm signal of Honda's future product plans. And his comments were echoed last week in Japan by the parent company's No. 2 executive, executive vice president Yoshihide Munekuni. "If consumers want a V-6 within the family car concept, we are waiting to respond to that request," Munekuni said.

JOE WILSSENS/AUTOMOTIVE NEWS

Thomas Elliott, American Honda Motor Co.'s executive vice president, dismisses the suggestion that Honda's products have lost their glow: "There are just a whole lot more alternatives out there."

Honda adds Civic coupe ➤ 21

In addition, next year's Accord will have a "very different styling look" than the current model, Elliott said. The current generation echoes its predecessor.

Honda appears ready to expand its long-standing lineup of the Civic, Accord and Prelude.

"If Honda is going to grow long term, you have to look at more segments," Elliott said. A decision on a minivan is near, he said. Sport-utilities will be a second choice for a new line, followed by a car below the Civic, he said. He said Honda is not ready to do a pickup truck.

Honda has traditionally taken a hands-off approach to dealers, Elliott said. But that is changing. The company ranks low in J.D. Power and Associates sales satisfaction rankings. And it needs to reduce the 40 percent-plus turnover in its sales force every year. While Elliott didn't share specifics about the programs, he said 15 people have been hired at the company's California headquar-

see HONDA, 33

Recession catches up with high-priced cars

Aura of immunity is shattered

JIM HENRY
Staff Reporter

NEW YORK — Times are tough, conspicuous consumption is uncool and you can't get much more conspicuous than a red Ferrari. Therein lies the problem for cars that have six-figure prices.

Cars such as Ferrari, Rolls-Royce, Aston Martin and Lamborghini once had a reputation for being recession-proof. They survived the 1980-82 recession with barely a dent in sales.

More than 90 percent of Rolls-Royce's customers are millionaires, and about half have a net worth of more than $5 million. They own at least five cars and two or more houses.

Because the customers are so rich and the cars so rare, exotic cars aren't affected by economic downturns, the theory went.

Until this recession.

U.S. sales for Rolls-Royce, for instance, fell more than 60 percent to only 447 cars last year. Sales were up 12 percent through June, to about 250 cars. But that's still less than half the 1990 rate, and marketers are worried that the volumes of the late 1980s are gone for good.

"I don't think anyone's immune if things are bad enough," said Howard Mosher, president and chief executive officer of Rolls-Royce Motor Cars Inc.

EXOTIC CAR SALES, 1988-1991
(Cars priced over $100,000)

	Ferrari	Lamborghini	Rolls-Bentley	Total
1991..	801	110	447	1,358
1990..	964	156	1,200	2,320
1989..	805	167	1,216	2,188
1988..	1,079	150	1,214	2,443

Things are pretty bad, even for millionaires.

"The economy's really been down for three years, and I figure it'll take another two years to recover. I just want to survive," said Ferrari owner James Haas Jr., a builder-developer in Vincentown, N.J. He said the construction business is bad in every sector — residential and commercial, private and public.

"Survive till '95, that's the goal."

He sounds like lots of harried businessmen — until the conversation turns to the Ferrari F40 on display in his living room.

A Ferrari enthusiast in a three-Ferrari family, Haas bought the F40 last year. After waiting more than three years for the car, he's never driven it.

Haas bought the car primarily as an investment, but F40 prices have nosedived. Without saying

see EXOTICS, 9

Toyota executive on speakers list

DETROIT — Yale Gieszl, Toyota Motor Sales U.S.A. Inc. executive vice president for sales and operations, will address the Automotive News World Congress Monday evening, Jan. 11.

Gieszl is one of 27 industry experts scheduled to speak during the 17th Automotive News World Congress, to be held Jan. 10-13 at the Westin Hotel in Detroit.

Automotive News and the University of Michigan Transportation Research Institute co-sponsor the four-day event, which includes a gala dinner Tuesday evening.

Gieszl: Monday night speaker

Registration information ➤ 19

see CONGRESS, 19

Eaton trims industry forecast

13.1 million year predicted

JOSEPH BOHN
Staff Reporter

HIGHLAND PARK, Mich. — Chrysler Corp. has reduced its estimate of U.S. calendar 1992 sales by 300,000 units, down to 13.1 million cars and trucks.

Chrysler expects to sell 1.7 million vehicles in calendar 1992, up from 1.5 million last year.

"Typically, the first year after a recession you'd be looking at a 15 percent improvement over the previous year. This year we're more in the 4 percent range," Chrysler Vice Chairman Robert Eaton said. "The recovery is much more anemic than we or the rest of the industry had been projecting." Chrysler, however, sees industry sales growing to 14.5 million units in calendar 1993.

"The ability to buy is definitely improving. The amount of debt is coming down. But the willingness to buy, the concern over the economy and jobs are enough of a psychological damper on the market that it will be a slow recovery," he said.

Eaton expects the Japanese to lose about 2 percentage points of market share in calendar 1992 and another point in 1993. But he said their setback, caused by a weak dollar that forced the Japanese to raise prices higher than domestic competitors, would be short-lived.

"The Japanese have shown themselves to be extremely resilient. The competitive pressures on us will not lessen," Eaton said.

Chrysler will be able to reduce its pension liability "dramatically" and ahead of government schedule, raise requisite operating cash, pay down its debt and fund a $17.3 billion five-year product plan if the economy keeps growing, Eaton said. But a slide in the gross national product would jeopardize those plans.

The company will sell about 115,000 vehicles overseas in 1992, including exports from the United States, Eaton said. He looks for a 10 to 15 percent yearly growth in those sales.

Eaton said Chrysler may sell its remaining 5.9 percent stake in Mitsubishi Motors Corp. but that won't jeopardize its product relationship: "We're looking at cooperative efforts out past the middle of this decade. Those will continue regardless of what happens from the standpoint of holding shares" in Mitsubishi.

He said no decision has been made regarding which product brand to drop. "We're going to let the marketplace determine that. It may well be that we'll continue to have all the brands. And it may be that ultimately one will fall out. Even if one were to fall out, we don't have any idea of what it would be," Eaton said.

AMERICAN HOLE 'N ONE

GOLF PRIZE INSURANCE

The company who's prices others try to match, but who's product & services they're just unwilling to...

Guaranteed Lowest Rates PLUS **Free Hole-In-One Prizes** AND **Free Custom Tee Signs.**

•Business class air tickets to Europe on Lufthansa

Mizuno
•Mizuno golf clubs

•Divots Sportswear

•Sandestin Beach Hilton Resort Golf Vacations, Destin FL.

Stouffer Esmeralda Resort
•Stouffer Esmeralda Resort Golf Vacations, Palm Springs/Indian Wells, CA.

Ask about our affordable **Million Dollar** End-Of-Tournament-Shootout... Guaranteed to have folks talking about your company well after the tournament's over!!!

American Hole 'n One™
Your Ace in the Hole

1-800-822-2257

A.M. Best Rated A+ Superior

NHTSA's new chief zeroes in on electrics

MAX GATES
Staff Reporter

WASHINGTON — The nation's new highway safety chief wants to stake out a new frontier for automotive safety: electric vehicles.

The National Highway Traffic Safety Administration will likely begin writing safety rules for alternative-fuel vehicles this fall, said Marion Blakey, who was sworn in as NHTSA administrator last week.

Blakey: battery vehicles No. 1 priority

Battery-powered electric vehicles will be a first priority. On-board compressed natural gas tanks and methanol toxicity also will get close looks, she said.

"If we're going to move forward to the next level of (fuels) technology, we have to be ready with the safety considerations. It's a real priority," Blakey said.

Blakey succeeds Jerry Curry, who resigned under fire last June. She is a career federal bureaucrat and was communications director for Transportation Secretary Andrew Card before being named acting administrator in July.

She could be out of a job if Gov. Bill Clinton defeats President Bush. In the meantime, Blakey, 44, takes over at a relatively quiet time for NHTSA.

Still, there is the occasional flash-fire, such as the recent publicity over fire hazards in 1973-87 General Motors full-sized pickups and television reports questioning the reliability of seat-belt buckles.

Blakey said NHTSA has begun a review of the tank design on pickups equipped with "side-saddle" fuel tanks, which sit outside the truck's frame. The agency expects to decide by December whether to conduct a full defect investigation.

The agency also will respond to two petitions filed by the Institute for Injury Reduction, a lawyers' group headed by Benjamin Kelley.

The petitions call for an investigation and new rules for safety-belt buckle design.

The institute, following up on a CBS report, said so-called side-release style buckles could open in a crash if struck sharply on the back.

Blakey questioned the validity of the claim.

She said those conditions aren't likely in a real-world auto crash, and NHTSA's telephone hotline has received few calls on the issue.

On corporate average fuel economy, said Blakey, "The administration's position is pretty clear: A large increase in CAFE is not in the best interests of the American public."

But the CAFE issue is likely to arise in Congress in 1993, and Blakey would like some attention given to alternative ways of regulating fuel economy.

Marion Blakey

Age: 44

Title: Administrator, National Highway Traffic Safety Administration

Safety experience: Assistant Secretary for Public Affairs, Department of Transportation, 1990-92

Past jobs: Career federal bureaucrat at National Endowment for Humanities, Departments of Education and Commerce, Bush White House staff.

Drives: Lincoln Continental with dual airbags and Ford Taurus wagon with driver-side airbag.

Views: "I'm struck by how much people want to talk about old issues. People ask me, 'Are you going to revisit the airbag issue?' As far as I'm concerned, the jury is in. They work. And consumers want them."

10-DAY CAR AND TRUCK SALES, BY MAKE

	Sept. 11-20, 1992	Sept. 11-20, 1991
ALFA ROMEO (imp. car)*	85	92
Acura (imp. car)	2,844	3,846
Domestic car	11,058	16,786
Imported car	3,281	4,858
Honda	14,339	21,644
AMERICAN HONDA	16,983	25,490
ASTON MARTIN		
Imported car*	2	2
BMW (imp. car)*	1,748	1,578
Domestic car*	2,366	3,341
Imported car*	0	14
Domestic truck*	110	92
Chrysler Division*	2,476	3,446
Domestic car*	6,664	9,408
Imported car*	717	1,074
Domestic truck*	12,474	10,375
Imported truck*	154	85
Dodge*	20,009	20,942
Domestic car*	694	979
Imported car*	320	234
Eagle*	1,013	1,214
Domestic truck*	4,818	4,008
Jeep*	4,818	4,008
Domestic car*	3,876	5,472
Imported car*	445	470
Domestic truck*	4,596	3,825
Plymouth*	8,919	9,767
Domestic car*	13,600	19,200
Imported car*	1,482	1,792
Domestic truck*	22,000	18,300
Imported truck*	154	85
CHRYSLER CORP.*	37,236	39,377
Imported car*	83	146
Imported truck*	26	70
DAIHATSU*	110	216
FERRARI (imp. car)*	24	24
Domestic car	27,447	28,765
Imported car	685	916
Domestic truck	34,178	34,687
Ford Division	62,310	64,368
Domestic car	3,853	3,865
Lincoln	3,853	3,865
Domestic car	7,772	6,837
Imported car	1,184	1,569
Domestic truck	491	0
Mercury	9,447	8,296
Domestic car	39,072	39,267
Imported car	1,869	2,485
Domestic truck	34,669	34,687
FORD	75,810	76,430
Domestic car	12,820	15,331
Buick	12,820	15,331
Domestic car	5,659	7,955
Cadillac	5,659	7,955
Domestic car	16,985	28,737
Imported car	2,803	2,517
Domestic truck	27,210	34,380
Imported truck	3,586	7,160
Chevrolet	50,584	72,794
GMC	8,877	7,829
Domestic car	8,667	11,882
Domestic truck	428	791
Oldsmobile	9,095	12,673
Domestic car	10,884	9,180
Imported car	206	937
Domestic truck	732	514
Pontiac	11,822	10,631
Domestic car	3,206	2,720
Saturn	3,206	2,720
Domestic car	58,221	75,805
Imported car	3,009	3,454
Domestic truck	36,447	43,505
Imported truck	3,586	7,160
GENERAL MOTORS	181,263	129,924
HYUNDAI*†	3,143	4,822
Imported car*	174	332
Domestic truck	1,904	1,299
Imported truck*	704	1,754
ISUZU*	2,782	3,385
JAGUAR (imp. car)*	166	371
LAMBORGHINI (imp. car)*	4	4
LAND ROVER (imp. trk.)*	77	93
LOTUS (imp. car)*	8	8
MASERATI (imp. car)*	6	6
Domestic car	1,531	1,575
Imported car*	4,310	4,360
Domestic truck	102	390
Imported truck*	2,313	3,926
MAZDA*	8,256	10,251
MERCEDES-BENZ		
Imported car*	1,884	1,523
Domestic car	1,038	1,841
Imported car*	1,632	1,973
Imported truck*	350	716
MITSUBISHI*	3,020	4,530
Infiniti	1,337	1,441
Domestic car	2,150	1,386
Imported car*	6,311	8,483
Domestic truck	2,373	2,181
Imported truck*	1,176	1,031
Nissan*	12,910	13,082
NISSAN MOTOR CORP.	13,346	14,522
PEUGEOT (imp. car)*	1	173
PORSCHE (imp. car)*	113	92
ROLLS/BENTLEY		
Imported car*	0	0
SAAB (imp. car)*	685	727
STERLING (imp. car)*	0	144
Domestic car	1,126	2,058
Imported car*	1,160	1,219
SUBARU*	2,286	3,277
Imported car	149	120
Imported truck	380	316
SUZUKI†	530	437
Lexus (imp. car)	1,841	2,616
Domestic car	6,761	6,283
Imported car	7,264	9,645
Domestic truck	2,001	0
Imported truck	75	60
Toyota	16,181	15,988
TOYOTA MOTOR SALES	17,942	18,904
Audi (imp. car)*	434	249
Imported car*	2,148	2,574
Imported truck*	41	144
Volkswagen*	2,189	2,717
VWoA*	2,622	2,966
VOLVO*†	1,198	1,981
YUGO (imp. car)*	0	95
Domestic car	134,557	184,291
Imported car	47,362	59,753
TOTAL CAR	181,919	223,954
Domestic truck	99,496	100,362
Imported truck	8,882	15,356
TOTAL TRUCK	108,378	115,718
TOTAL CAR & TRK.	290,297	339,672

*Estimated †Breakdown of North American built and imported car sales not available.
There were 8 selling days in the period this year and 9 last year.

Daily sales rate dips 3.9%; even trucks feel the pinch

JIM HENRY
Staff Reporter

Car sales slipped more than usual, and truck sales gained less than usual in the next-to-last 10-day period of the 1992 model year.

The daily selling rate for cars and light trucks in the United States dipped 3.9 percent below a disappointing year-ago period. The industry sold 290,297 light vehicles in the Sept. 10-20 span. There were eight selling days this year and nine last year, so percentage comparisons in this article are on a daily-selling-rate basis.

Car sales, which were off less than 1 percent through August, fell 8.6 percent in mid-September. Unit sales totaled 181,919.

Trucks gained 5.4 percent, only half the 10.8 percent improvement trucks showed after eight months. The industry sold 108,378 light trucks, minivans and sport-utilities in the mid-September period.

General Motors sold the most trucks, 40,033, but its daily rate fell 11.1 percent. GM car-truck sales dropped 12.3 percent.

Ford Motor Co.'s daily sales rate climbed 11.3 percent. Ford sold 75,610 cars and trucks. The truck sales rate improved 12.4 percent, with 34,669 sold.

Chrysler Corp. continued a hot streak in light trucks, with daily sales up 35.5 percent. Unit sales were 22,154. *Automotive News* estimates 10-day sales for Chrysler and for most imports.

Sales for American Honda Motor Co. Inc. fell 25.1 percent, as both Acura and Honda were down.

Nissan Motor Corp. in U.S.A. rose 3.4 percent on a daily-rate basis, compared to a volume decline of 4.1 percent through eight months. Toyota Motor Sales U.S.A. Inc. climbed 12.1 percent.

NHTSA seeks Big 3 aid for GM fuel tank inquiry

MAX GATES
and HELEN KAHN
Staff Reporters

WASHINGTON — Federal safety officials have requested a long list of records from each of the Big 3 as they probe for alleged safety defects in General Motors "side-saddle" gas tanks.

The National Highway Traffic Safety Administration is calling the charges against the GM full-sized pickups more serious than typical consumer complaints.

"We have an allegation (of) a fairly large casualty toll," said William Boehly, associate administrator for enforcement at the National Highway Traffic Safety Administration.

The Center for Auto Safety has charged that as many as 300 people have died in fires or explosions involving side-impact accidents in 1973-87 Chevrolet and GMC R/V pickups. Gas tanks on the trucks were mounted outside the frame rails.

The center has asked NHTSA for a full defect investigation. The agency has until Dec. 12 to decide whether it will proceed.

In the meantime, NHTSA will review state and national accident and casualty data to see if fires or fatalities occur more often in GM trucks than in other models. And federal engineers may conduct their own crash tests to see how the tanks perform in side-impact collisions, said Boehly.

They also will review lawsuits filed against GM to see if court records contain engineering information about the design and performance of the tanks.

Some critical information could be made public Oct. 15, when Joan Claybrook, president of Public Citizen, testifies in a Texas case. She is expected to release settlement data from nearly two dozen side-saddle suits.

> NHTSA also asked for each Big 3 company's "opinion of the crashworthiness of light trucks with fuel tanks located outside the main frame rails."

The consumer advocacy group wants 96th District Court Judge Jeff Walker to release data about the truck design that was sealed after a settlement last March. That case involved the 1989 death of Francis Zelenuk, who died after his 1987 pickup caught fire after it was struck by another vehicle.

In late August, NHTSA enforcement staff wrote each of the Big 3 requesting information on their pickup trucks from the 1970-89 model years.

"As far as we know, Ford and Chrysler don't have saddle tanks," Boehly said, but NHTSA wants information for comparison with the GM trucks.

NHTSA also asked for each company's "opinion of the crashworthiness of light trucks with fuel tanks located outside the main frame rails."

In addition, GM engineers were asked to: explain why the company switched from the in-cab fuel tank design used on its pickups from 1949 through 1972; give descriptions of alternative tank designs considered by GM and the reasons for not using them; and provide details of the employment history of Ronald Elwell, a former GM engineer who has testified for the company in lawsuits over the fuel-tank design.

Elwell says he subjected himself to possible criminal sanctions because he did not know, he alleges, that GM had done tests showing that side impacts caused the large pickups to rupture. He says GM concealed the data from him.

A Detroit court has barred Elwell from talking about the pickups. But GM says Elwell has already breached it by talking to an ABC-TV reporter in Texas.

Toyota leads for No. 3

Model year race goes to the wire

JIM HENRY
Staff Reporter

The auto industry's semiannual sales scorekeeping ends Wednesday, the last day of the 1992 model year. Toyota Motor Sales U.S.A. Inc. is poised to become No. 3 in car sales, edging out a slipping American Honda Motor Co. Inc.

With one 10-day report left, Toyota and Lexus were 2,323 cars ahead of Honda and Acura. Toyota finished the 1991 model year about 73,000 units behind Honda. General Motors will be No. 1, and Ford Motor Co. No. 2.

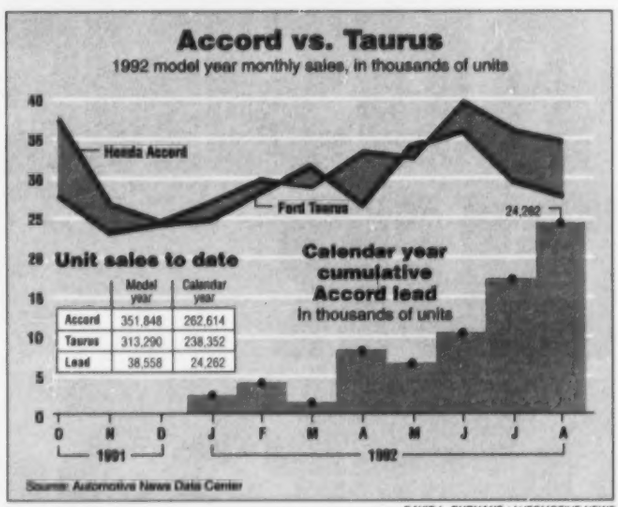
Before 1988, Toyota perennially outsold Honda in cars. But Honda introduced the Acura in 1986 and outsold Toyota two years later. Toyota started its comeback when it introduced the Lexus in 1989. Toyota holds a wide lead over Honda in overall sales because it sells trucks.

While much of model year's significance has vanished with the advent of year-round car introductions, statisticians still crunch numbers on a model-year basis. For the winners, at least, the results provide another opportunity for advertising bragging rights.

Chrysler Corp. remains third overall but will fall to fifth in car sales. As of Sept. 20, Toyota and Honda each led Chrysler by nearly 100,000 cars.

Chrysler hopes to rebound in the coming year with its new line of LH sedans. A record year for minivan sales has bolstered the company's truck numbers 14.8 percent.

Some other trends for the 1992 model year, most of them based on sales through 11 months:



DAVID L. BURHANS / AUTOMOTIVE NEWS

- The Honda Accord will keep its title as the best-selling car in the United States, but the Ford Taurus made it a lot closer. For the 1991 model year, Accord outsold Taurus by about 83,000 units. As of the end of August, the margin was 38,558. The Accord built the bulk of its lead in the last six months.
- Trucks dominated a flat market overall. Truck sales, led by increases at each of the Big 3, rose 6.6 percent for the 11 months, while car sales decreased 2.8 percent. Combined car and truck sales gained a bare 0.3 percent. Trucks made up 35.3 percent of the light-vehicle market, compared with 33.2 percent a year earlier.
- The Dodge Caravan minivan broke into the Top 10 vehicle sellers, as sales grew 15.7 percent from the year-ago period to 215,764. Combining Caravan with Voyager and Town & Country, Chrysler sold 408,285 passenger minivans.
- The Ford F-series pickup repeated as the best-selling vehicle. With 438,484 after 11 months, it led the Chevrolet C/K pickup by about 15,000 units. Last year at the same time, Ford was ahead by only 1,476 in a hotly contested race.
- The Ford Explorer roared up the charts from No. 9 to No. 5, with sales up 19.9 percent. The Chevrolet Cavalier, which was fifth at the end of the 1991 model year, fell out of the Top 10 through August, as sales dropped 25.1 percent. The Honda Civic also fell off the select list. Cavalier and Civic were replaced by the Dodge Caravan and the Chevrolet Lumina.

Automakers will announce model year results Oct. 5.

Chrysler team checks minivans every 2 weeks

JOSEPH BOHN
Staff Reporter

AUBURN HILLS, Mich. — As linchpins of the company's profitability, Chrysler Corp. minivans are scrutinized by a platform team every two weeks.

Chrysler owns half of the minivan market and will take whatever steps necessary to keep it.

Annual sales are more than 500,000 units, and a big chunk of Chrysler's income is riding on the success of the Plymouth Voyager, Dodge Caravan and Chrysler Town & Country minivans.

At the platform team's most recent meeting, which *Automotive News* and other media were invited to attend, one by one, members discussed subjects ranging from exports and sales to days' supply and quality. Joe Casola, Chrysler manager of business planning and marketing strategies, set the tone for what turned out to be a very upbeat meeting:

- The automaker's U.S. minivan sales are up 18 percent for the Oct. 1, 1991, to Aug. 30, 1992, period. The company sold 408,000 minivans during that period and boosted market share 4 percentage points, Casola said.

Chrysler has single-handedly expanded the segment, he said. Its sales increased 62,000 units during that period; the segment's sales were up only 52,000.

"We were the segment increase and then some," Casola told the group, calling attention to an 8 percent industry increase to 810,000 sales during the period.

- Chrysler is expected to have only 11,000 of its 1992 minivans (16 days' supply) in dealer inventories on Oct. 1. That means most of the minivan inventory in dealers' hands will be "fresh stuff," about 75,000 of the 1993 models, Casola said.
- Chrysler is predicting a 38 percent increase in U.S. minivan sales for the last four months of calendar 1992. Casola said that is realistic, in view of a 35 percent sales hike in the first 16 days of September.

He reported that a marketing program in California helped boost Chrysler's minivan share from 33.6 percent in January to 46.0 percent by the end of July.

Chrysler is offering stronger incentives along with heavy advertising support.

- Ralph Sarotte, Chrysler director of international marketing and program planning, told the team that the European Commission may torpedo plans for a second minivan shift at the automaker's joint venture plant in Graz, Austria.

The European Commission ruled that the $140 million subsidy Austria gave Chrysler to build its plant far exceeded the EC's 8 percent ceiling on such state aid. It told Austria it must get back the difference from Chrysler, $106.6 million, or 10 percent duties will be imposed on Eurostar exports to the European Community countries.

The second shift was expected to start in January. Chrysler must decide soon if it should cancel the shift and ship units from the United States, which would add a 10 percent import duty to their price.

- Joe Mollahan, Chrysler's acting general manager of minivan platform assembly, is pleased with programs to improve minivan quality: 98 out of 108 complaints were investigated and resolved this year, and five major changes are being implemented to improve quality in 1993.

The plant validation is working particularly well, Mollahan said. Minivans are randomly test-driven before they leave the plant, and errors are corrected before the vehicles reach dealerships. For example, he said the Windsor, Ontario, plant recently picked up a "slight chuckling" noise in the front-end strut of a minivan. It resulted in 47 vans being repaired before they were shipped.

The morning meetings of the minivan platform team usually last about an hour. Tom Gale, Chrysler vice president of design and general manager of the team, presides. The 18 core members of the team are department heads representing all functions within the company.

About 16 or 17 of the core members usually attend every meeting. If they can't make it, their designated alternate attends.

It is not the kind of meeting the players can afford to miss. As Marketing Vice President John Damoose notes, Chrysler is calling itself "the Minivan Company" in ads for the 1993 model year.

The new LH models are important. But for the foreseeable future, minivans will continue to pay most of Chrysler's bills.

Ford's Louisville plant is top producer

ANNE E. WRIGHT
Chief Statistician

Ford Motor Co.'s Louisville, Ky., truck plant wins the model year production championship for the second consecutive year.

The plant produced more vehicles than any other car or truck facility in the United States or Canada. The 1992 Ford Rangers, Ford Explorers and Mazda Navajos were assembled from July 1991 through August 1992, a 14-month model year due to the increased demand for the Ford Explorer. Model-year sales for the Explorer were up 19.9 percent through August.

In the 1992 model year, car production in the United States and Canada dropped 2.2 percent from 1991. Truck production was up 3.25 percent.

Total 1992-model production in the United States and Canada was 11,210,399 cars and trucks, 60,651 units above the 11,149,748 built in the 1991 model year.

Model-year production figures are reported by the manufacturers to *Automotive News* and reflect the total number of 1992 vehicles produced. There is no set time period, as there is in the model year for sales. In production, the

see BUILD, 33

EXOTICS

Recession hammers buyers, dealers

continued from PAGE 3

what he paid, Haas said F40s are now selling for $475,000 to $550,000. That's above the $423,000 sticker price, but it's half of what some early buyers paid.

"If the economy comes back — if — I speculate the F40 will be back to $1 million, maybe $1.2 million," he said. Ferrari imported only about 200 F40s, and the last one arrived in August. The exact number is a matter of dispute, because it affects the scarcity. But Ferrari isn't building more, so Haas felt the investment was justified.

Exotic cars also are being challenged by the rising prices of relatively "mass-produced" cars.

Mercedes-Benz of North America Inc. broke the $100,000 barrier with the 1992 600SEL, at $127,000 suggested retail. Mercedes should come close to its sales target of 1,000 for the model year, probably stealing some sales from competitors such as Rolls-Royce. The Porsche 911 Turbo, with gas-guzzler tax, now lists for more than $100,000.

"It would be foolish for me to say the 600SEL hasn't had an impact on a very small part of the market," Rolls-Royce's Mosher said. Mercedes is selling an average of 80 of them a month, more than Rolls-Royce's entire volume.

As a group, Ferrari, Lamborghini and Rolls-Royce sold fewer than 1,400 cars in 1991. That's more than 40 percent below 1990 and about 45 percent below the all-time high in 1988. Rolls-Royce sales are up more than 10 percent this year, but Ferrari and Lamborghini have continued to slide. Ferrari is down about 20 percent, and Lamborghini about 40 percent.

Tiny Aston-Martin Lagonda of North America Inc. is selling only about three dozen cars a year, half its annual U.S. total in the late 1980s. Those four importers had a total of 121 U.S. dealers at the beginning of this year, down only slightly from 123 a year earlier. Almost none are exclusive, which has enabled dealers to rely on other franchises.

Lamborghini imported only 66 Diablos for the 1992 model year, compared with 110 sales in 1991.

TOO MANY TAXES

What's different about this recession?

- The government doubled gas-guzzler taxes in 1991. The penalty is $4,500 on a Ferrari 512-TR, which already costs $189,500 suggested retail.
- The luxury tax, adopted at the same time, is a real deal-killer in this price range. The tax, 10 percent on the amount over $30,000, would be $14,300 on a 1992 Rolls-Royce Silver Spur II at suggested retail. Mosher said most buyers still bitterly resent the tax.
- Consumer confidence — or what Mosher called "the affluent equivalent of consumer confidence" — is low. This has been more of a white-collar recession than previous downturns, as industries such as the auto industry shed managers and executives to become "lean."

Wall Street cut thousands of jobs following the 1987 stock market crash. It's also a presidential election year, and that has focused a lot of attention on economic problems.

- In the early 1990s, conspicuous consumption is unfashionable.

"There's no shortage of money; there never is," said Martin Bennett, owner of Thoroughbred Motorcars (Ferrari-Jaguar-Saab) in Nashville, Tenn.

"The prevailing mood in the country dictates whether people will spend it, and right now it's distasteful, for whatever reason, to spend it on luxury cars. People are supposed to be saving, or prudent or conservative, or at least appear to be. It's not that they can't afford them."

Mosher said most buyers in the $100,000-and-up range are self-employed, self-made men. They're cutting expenses, laying people off and seeing their own incomes erode.

They still have money, but it's tough to justify a six-figure price tag, especially when it's for a sports car that can barely carry an overnight bag.

ENCOURAGING SIGNS

Still, there are some encouraging signs in the automotive stratosphere.

Ferrari says more than 95 percent of its customers still pay cash. As noted, Ferrari sold out the F40 for 1991, even if resale values have fallen.

Lamborghini USA Inc. introduced the Diablo in 1991, replacing the 15-year-old Countach. The Diablo's price was $239,000 compared with $145,000 for the Countach, but Lamborghini still managed to sell 110 in the 1991 model year, compared with 156 Countachs in 1990. Sales for the 1992 model year through mid-September were 66.

Rolls-Royce sold out the 1993 Bentley Continental R, at $261,800 suggested retail, before the first car arrived. Fewer than 100 will be imported.

Speculators desert Ferrari showrooms

Maker welcomes enthusiasts back

JIM HENRY
Staff Reporter

ENGLEWOOD CLIFFS, N.J. — The bubble has burst at Ferrari North America Inc., but new President Gian Luigi Longinotti Buitoni says he's not sorry.

"Some very good customers had to pay a premium — or else not get the car. The intelligent ones didn't" buy, he said.

Before the recession, speculators drove the price of Ferraris so high that you could sell a new Testarossa, sight unseen, for about $300,000, or twice the retail price.

Why not? After all, it would be worth 30 or 40 percent more in two or three years.

Ferrari didn't profit directly, but the skyrocketing showroom prices allowed the company to hike the 1990 Testarossa, for instance, more than $20,000 to $161,600.

Then came the recession, the luxury tax and doubled gas-guzzler taxes. Fewer people decided they really needed a Ferrari. U.S. sales fell from about 960 in 1990 to 801 in 1991. Sales through June this year were 311.

The same Ferrari that commanded a 100 percent premium a few years ago might now be worth 30 percent less than what the buyer paid. That is still a terrific residual value, but it's moving in the wrong direction. That has some customers unhappy.

When the F40 was introduced in 1991, the suggested retail was $423,000. But prices as high as $1.4 million were quoted.

Then prices softened, said Martin Bennett, owner of Thoroughbred Motorcars (Ferrari-Jaguar-Saab), in Nashville, Tenn.

He said several lawsuits were filed when customers tried to get out of contracts to buy at "extremely high" prices. Bennett said he sold two F40s, and he settled one such case out of court.

"I still made a very considerable amount of money, but not what the guy had contracted to pay me," he said.

Today, he said, "any Ferrari dealer would be grateful to sell anything at sticker price."

It'll be nice selling Ferraris to people who might actually drive the cars, said Buitoni, who took over Aug. 1.

> "Some very good customers had to pay a premium — or else not get the car. The intelligent ones didn't buy."
>
> GIAN BUITONI
> FERRARI NORTH AMERICA

He said American owners average only 4,000 miles a year in their Ferraris, and some used 1988 models have as few as 120 miles on them.

"It's different selling to speculators who have no interest, really, in the car," Buitoni said. "In the crazy years, you could just sell a car on the phone.

"We want customers to try the car, so they can enjoy it. We want people to take a 600-mile drive and be upset when they arrive — because it means they have to get out of the car," he said.

Hugh Steward, director of marketing and sales at Ferrari North America, admitted that profits are "tighter" than they used to be. But Buitoni insisted Ferrari has always been profitable — "very profitable" — in the United States.

"One of the things we really want to do is not to chase numbers. We are very flexible; our break-even is very low," he said.

"As a matter of fact, we are trying to reduce the number of cars. And we are not that far off last year. One of the strengths of Ferrari is we don't *have* to sell cars."

Revolutionary Closing Tool
Raises Your Gross
Builds Strong Justifications
Showroom Software Package That Gives You Monetary Advantages Over The Competition In 5 Possible Categories
Market Exclusivety
$685 For CARS
$635 For TRUCKS
Order Now And Receive Our Handling Objections Training Manual At No Charge!
Call 1-800-435-6356
To Order
Automotive Basics Co.
Copyright 1992 All Rights Reserved

CUSTOM BANNERS
DELIVERED TO YOU IN
72 HOURS
OR THEY ARE
FREE
HOW?
CALL
8 a.m. - 6 p.m. PST
1-800-925-SIGN
SIGNS PLUS
FAX YOUR ORDER TO
1-805-925-5066
FOR ALL OF YOUR SIGN, BANNER, OR LETTERING NEEDS

Cosmetic CAR CARE
Quality in Quantity.
Prep and Detailing for Display.
Call for Brochure
714-453-1200
Location Service Coast to Coast

HOLE-IN-ONE INSURANCE
$15,000
Low as $210.
S&P AAA Carrier.
800-HOLE-IN-ONE

This is the place . . .
Whenever you want to sell off excess stock or buy that hard-to-get model, take out an ad in the Classified Section of Automotive News.
Call Marie Hingst at
(313) 446-6065

JAPANESE TRANSPLANT CAR PRODUCTION IN EUROPE

Manufacturer	Country	Model	Production 1988	1989	1990	Forecast 1995	2000
Honda	United Kingdom	Concerto; Accord starting in 1992	—	2,000	26,000	105,000	160,000
Isuzu	United Kingdom	Opel/Vauxhall Frontera	—	—	—	43,000	50,000
Mitsubishi	Netherlands	Lancer with Volvo	—	—	—	5,000	100,000
Nissan	United Kingdom	Bluebird; Primera; new Micar	57,000	77,000	76,000	290,000	300,000
	Spain	Patrol; '93 sport-utility	20,000	26,000	27,000	75,000	95,000
		Serena	—	—	—	31,000	35,000
	Turkey	Car with 1.0 to 2.0 liter engine	—	—	—	50,000	70,000
Suzuki	Spain	SJ-series, Vitara since 1990	22,000	18,000	21,000	35,000	40,000
	Hungary	Swift	—	—	—	60,000	100,000
Toyota	United Kingdom	Carina II	—	—	—	107,000	150,000
		Corolla	—	—	—	25,000	80,000
	Turkey	Corolla	—	—	—	80,000	90,000
Total			99,000	123,000	150,000	906,000	1,270,000

Source: Marketing Systems GmbH

Continental Drift

Japanese penetration of Europe heads changes in store for world auto markets

The world's auto markets have taken a spectacular tumble in the 1990s, with massive financial losses by the Big 3, shrinking corporate profits in Japan, mergers, buyouts, massive job losses and a pervasive crisis in morale. This article by Marketing Systems GmbH, a European-based international marketing and forecasting firm, examines the future from the European perspective.

Annual growth of worldwide new car sales will continue at just above 2 percent during the rest of the decade, with a year of 43 million-plus sales by 2000.

The competitive situation will remain characterized by expansionist aims of Japanese automakers, although they are switching from an aggressive, volume-oriented strategy to one of qualitative growth and global cooperation.

By year 2000, the Japanese are on line to reach market shares of 20 percent in Western Europe and 40 percent in North America, while maintaining their 70 percent stake in Asia.

As the 1980s ended, Western Europe became the world's largest market, with annual sales topping 13 million cars. The opening of Eastern Europe can only mean bigger things ahead.

However, 1990 and 1991 saw sales stagnate in Europe, mainly due to markets in Spain and Great Britain. More serious losses this year were averted by positive effects of Germany's reunification.

While a European economic recovery is expected before too long, annual car-sales growth from 1990 to 2000 will be only about half the 3 percent rate marked up from 1980 to 1990.

Indeed, the West European car market is on the brink of saturation, with remaining growth expected to be grabbed off by the Japanese and, to a lesser extent, new producers from countries such as South Korea.

The European Community has set a limit of 1.2 million direct imports of Japanese vehicles annually to 1999. But additional Japanese transplant production will boost Japanese manufacturers' market share in Western Europe from the current 11 percent to 18 in 2000.

Competitive pressures will be especially severe in Spain, Italy and France, whose doors until now have been virtually closed to the Japanese. But all European automakers will find themselves at a disadvantage against the efficient lean-production systems and low manufacturing costs of Japanese transplants.

European automakers have taken their time reacting to the Japanese. Only now, it seems, is Europe taking a cue from America's Big 3 to streamline organizations, rationalize plants, cut work forces, improve their supplier base and adopt proven Japanese manufacturing practices.

Meantime, the traditionally strong inclination of West European automakers to concentrate on their domestic markets has limited their opportunities abroad. For example, overseas sales by Germany's auto industry totaled 390,000 units in 1991 compared to 490,000 in 1980. During the same period, French makers' exports dropped 29 percent, Italian manufacturers' exports dipped 76 percent and British makers had a 41 percent decrease.

And while European companies made headway in Japan's domestic market in the late 1980s, only minor growth at best is expected in the foreseeable future. The current level of 4 percent imported car sales in Japan will double in the next five years, but it will primarily favor units imported from Japanese transplant operations abroad. By cooperative ventures (Volkswagen and Toyota, Opel and Yanase) and by establishing their own distribution networks in Japan, the Europeans are trying to expand their market position. But the Japanese are strengthening their stance in the upper-market niche, traditionally dominated by European imports.

The Pacific Basin — the market with the greatest growth rates the last few years (15 to 20 percent) — is ruled more or less by the Japanese, except for a few projects such as Volkswagen's in China.

Neither have European manufacturers had much luck in North America recently. Europeans got caught in the struggle between the Big 3 and Japanese transplants, which has greatly harmed Saab, Volvo and Porsche.

The depressed North American car market with muted prospects for growth spell continued competitive pressures for West European automakers. Not only will they find tough sledding in North America, but Europe becomes an inviting target for North Americans. Unable to compensate for their market-share losses at home with export boosts to Asia, the Big 3 will turn increasingly to Western Europe, both directly and via their European subsidiaries.

In 1991 the Japanese took 30 percent of the U.S. and Canadian market, which was down overall 11 percent from 1990. Japanese transplants accounted for 17 percent of 1991 sales. That will grow to 20 percent in 1995, as Japanese imports decline, according to a forecast by Vernon Lacy of Strategic Marketing Systems Inc.

Meantime, BMW AG's announced plant-construction plans in South Carolina, with initial production of 30,000 and eventual production of 70,000 cars based on the 3 series for sale throughout the world, is seen as a sign that Europeans may be rethinking their cautious approach to vehicle manufacture in North America.

For now, however, Western Europe's automakers are concentrating on opening East European markets, which is seen as their greatest challenge and opportunity. Millions will be invested there up to the year 2000, mostly by West European manufacturers, in a market expected to double its level of demand to well above 3 million cars annually by the turn of the century. Even in the medium term, markets such as Poland and Hungary will show growth which, although perhaps not as rapidly as East Germany, will nonetheless be of considerable proportions.

Those aspirations also seem justified for the long-term, with car density in Eastern Europe ay 80 cars per 1,000 inhabitants and expected progressive opening of political and economic fronts.

On the other hand, given the backdrop of national unrest in Eastern Europe, losses in purchasing power arising from the restructuring process and the heavy question mark looming over the former Soviet Union, Western Europe's hopes are doused with caution.

North Americans, Japanese and Koreans are eager to claim their share of the Eastern European bounty. Expansion of those markets will be closely linked to general economic and political commitments.

Still and all, the hunt is on in Eastern Europe, attracting companies intent on strengthening their competitive positions. So far, Volkswagen has been the most aggressive, but the Renault-Volvo linkup and many other strategic alliances can't be ignored. Even in these tough times, the big-is-better mentality (for geographic expansion or widening the product line) is strong enough for Western European automakers to go for broke in the the worldwide competitive stakes. □

Marketing Systems GmbH is represented in the United States by Strategic Marketing Systems Inc. of Farmington Hills, Mich.

CHEVY

New products on the horizon

continued from PAGE 3

ness is "an expensive solution to absorbing excess production capacity," but it also made it impossible for the manufacturer to keep track of the customers who were buying the nearly new cars.

He said GM stayed in the program car business to save market share, but the program cars also helped save a lot of GM dealers.

Perkins' industry sales forecast for trucks in the 1993 model year is 4.7 million to 5.1 million units, a growth rate of about 8.8 percent.

Chevrolet may sell an additional 73,000 trucks in the 1993 model year, up about 4 percent, he said.

Perkins said he is concerned that negotiations with the UAW might adversely affect the predictions. The Big 3 contracts with the UAW expire Sept. 14, 1993.

Also, Perkins noted that the CAMI Automotive Inc. plant in Ingersoll, Ontario, where the Geo Metro and Tracker are built, is on strike. CAMI Automotive is a joint venture between GM and Suzuki Motor Co. Ltd.

Further, the new Camaro, which may be badged as a 1994 model when it is introduced in the middle of the 1993 model year, won't be available in volume until early spring 1993.

Perkins said 1993 marks the beginning of a five-year period of Chevrolet new-model introductions, starting with the new Geo Prizm. During that period, he said, the division's image will be redefined.

He spoke enthusiastically about the success of the Geo line, which is entering its fifth model year after selling 1 million cars and trucks.

"For those of you who think Chevy doesn't take chances, how 'bout in your face with a million Geos," Perkins crowed.

He said that no Geos will be sold into daily rental fleets in the 1993 model year, which means all of the 72,000 Geo Prizms Chevrolet expects to sell will be retail.

Although Chevrolet is not ready to follow Ford Motor Co. and Saturn into so-called one-price selling, it is moving away from incentive programs and toward lower prices.

Chevy pushes value image

MARY CONNELLY
Staff Reporter

In the 1993 model year, Chevrolet will try to cast itself as America's premier value brand.

The division will use national print and TV campaigns to tout pricing on two critical, high-volume car lines. Prices for the 1993 Lumina are unchanged from 1992 on all but base two-door models, which have more standard equipment. The sticker prices on the Cavalier coupe, sedan and wagon, depending on model, are up to $579 lower than the 1992 model.

Chevrolet said the redesigned 1993 Geo Prizm will carry a $9,995 sticker price, which is $130 less than the 1992 model.

"We have to be America's value leader," said Chevrolet General Manager Jim Perkins. Chevrolet is on the threshold of a five-year product and image "renaissance," Perkins said.

The goal is to meet increasing consumer demand for good value.

Noted Jeff Hurlbert, Chevrolet general marketing manager, "The 1993 car campaign sets the course for a new definition at Chevrolet. That definition is, 'Nobody cares more for me than Chevrolet because nobody gives me more for the money than Chevrolet.' "

Chevrolet will continue its "Heartbeat of America" theme in 1993. But Hurlbert said ad messages will focus more strongly on "quality, reliability, durability and, most importantly, value."

Chevrolet will continue its "Like a Rock" truck campaign.

1993 IMPORT PRICES

(Not adjusted for equipment changes)

	1993 Price	Change from final 1992 price
HONDA		
Civic		
CX 3-door hatch	$ 8,400	+$ 300
DX 3-door hatch	10,100	+ 250
VX 3-door hatch	10,800	+ 250
Si 3-door hatch	12,200	+ 300
DX 4-door	11,055	+ 300
LX 4-door	11,885	+ 300
EX 4-door	15,100	+ 1,325
DX coupe*	10,350	—
EX coupe*	12,400	—
Civic del Sol		
S Targa*	13,200	—
Si Targa	15,000	—
Accord		
DX coupe	13,750	+ 450
LX coupe	16,350	+ 450
EX coupe	18,770	+ 450
SE coupe*	21,520	—
DX 4-door	13,950	+ 450
LX 4-door	16,550	+ 450
EX 4-door	18,970	+ 450
SE 4-door*	21,720	—
LX wagon	17,975	+ 250
EX wagon	20,425	+ 250
Prelude		
S coupe	17,000	+ 450
Si coupe	20,000	+ 450
Si coupe (4ws)	22,320	+ 450
VTEC coupe*	22,690	—
*New model for 1993		
MITSUBISHI		
Mirage		
S 2-door	7,649	+ 50
ES 2-door	8,939	+ 740
LS 2-door	10,299	+ 1,540
S 4-door	9,439	+ 210
ES 4-door	10,479	+ 700
LS 4-door	12,079	+ 879
Mirage model designations have been changed for 1993. This table compares the entry-level, mid-level and top-line models for the two years.		
Eclipse		
Coupe	11,719	+ 350
GS coupe	13,429	+ 780
GS DOHC coupe	14,359	+ 750
GS DOHC Turbo coupe	18,049	+ 780
GSX DOHC Turbo coupe (awd)	20,769	+ 1,740
Galant		
S 4-door	12,599	+ 540
ES 4-door	15,509	+ 270
LS 4-door	16,539	+ 900
Diamante		
ES 4-door	22,399	+ 910
LS 4-door	29,850	+ 3,400
3000GT		
Coupe	23,659	+ 2,760
SL coupe	28,709	+ 1,420
VR-4 Twin Turbo coupe	37,250	+ 3,100
Precis, Expo RV and Expo models will be priced later.		
HYUNDAI		
Excel		
3-door hatch	6,799	+ 204
GS 3-door hatch	7,699	+ 100
4-door	7,699	+ 4
GS 4-door	8,599	+ 100
Scoupe		
Coupe	9,069	+ 270
LS coupe	10,199	+ 200
Turbo coupe*	10,999	—
Elantra		
4-door	8,999	+ 4
GLS 4-door	10,299	+ 300
Sonata		
4-door	12,399	+ 1,249
4-door V-6	13,939	+ 1,249
GLS 4-door	13,799	– 196
GLS 4-door V-6	15,339	– 196
*New model for 1993		

Acura sets up national dealer ad group

KRISTINE STIVEN BREESE
Staff Reporter

LOS ANGELES — With sales down and dealer dissatisfaction on the rise, American Honda Motor Co.'s Acura Division has set up a national dealer advertising association. Acura says the group will bring much-needed consistency to its image.

The new program will replace the current 34 associations.

Acura's ad agency, Ketchum Advertising L.A., now will handle all regional advertising as well as the national ads.

In addition to projecting a more consistent image, the program will enable more dealers to be involved in advertising planning. Acura says 32 percent of its dealers are not members of any association.

"We had 34 associations working with 26 agencies and what they thought Acura was," said Thomas Elliott, executive vice president of American Honda. "So it's going to be a lot cleaner."

There are competitive pressures as well. Both Lexus and Infiniti, which have moved in on Acura's turf, handle advertising that way.

Acura will assess dealers 1 percent of invoice for every vehicle sold and will match that with an 0.85 percent contribution of its own. The money will be used to buy ads in the market in which the funds were generated. Acura will provide ads for the zone groups to choose from each quarter.

Some dealers are wary of the change. One dealer claimed the trend toward abolishing autonomous regional ad groups takes money away from the localized promotions dealers need most.

The dealer said Acura's move is similar to one Mazda made this summer. He said companies do it to cut costs and increase control.

"Sure, they'll put the money back into our market, but it will be in the form of spot TV buys like they were already making. This just means that they're reducing their own spot TV costs," said a dealer who is president of his local ad association. That group will be abolished when the new program takes effect. Jan. 1. The dealer asked to remain anonymous.

Acura sales were down 13.3 percent through the first eight months of this year, and many dealers have blamed Ketchum for not creating the right advertising messages.

Some expressed surprise that the agency is going to become more involved with the account.

But all dealers interviewed for this report agreed that Acura must communicate its identity in the marketplace better, especially vis-a-vis Lexus and Infiniti.

Mitsubishi, Honda, Hyundai increase prices on most '93s

JOHN K. TEAHEN JR.
Senior Editor

Mitsubishi Motor Sales of America Inc. has added expensive equipment to some of its big-ticket cars and has tacked on the biggest price hike of the Japanese-badged cars in this country.

Automotive News estimates the increase at $1,005, or 6.1 percent, before adjusting for year-to-year equipment changes. The company did not place a figure on the boost because some of its 1993 models have not yet been priced.

Among Japanese-badged cars, increases on 1993 models have ranged from 1.4 percent to 2.9 percent for Nissan, Infiniti, Honda, Acura, Toyota, Lexus and Mazda. Those percentages are figured after adjusting for equipment changes. Mitsubishi's 6.1 percent hike will drop when similar adjustments are made.

Major equipment additions for 1993 include anti-lock brakes ($943) on the Eclipse GSX Turbo with all-wheel drive; keyless entry system on the Diamante LS and 3000GT VR-4; and air conditioning and power windows and door locks on the base 3000GT.

Also, the Mirage subcompacts are new for 1993 and higher priced than the 1992 entries. Mitsubishi's biggest hikes are $3,100 on the 3000GT VR-4 and $3,400 on the Diamante LS.

Price hikes by Honda Division of American Honda Motor Co. Inc. are easy to summarize. Civics are up $250 to $300; Prelude coupes and Accord sedans and coupes are up $450; and Accord wagons are up $250. Exception: The Civic EX sedan rose $1,325 because air conditioning and a stereo system now are standard. The average increase is $482, or 2.7 percent.

Hyundai's changes cover a broader spectrum. An Excel sedan and an Elantra sedan rose only $4 while base Sonata sedans climbed $1,249. The Sonata GLS sedans were reduced $196. Other Hyundais went up $100 to $300. Hyundai Motor America said its 1993 cars are up 2 percent, which *Automotive News* estimates at $200.

HONDA

Minivan, V-6 sport-utility eyed

continued from PAGE 3

ters to work on them.

Honda division sales were down 3.9 percent through the end of August. That's not bad, Elliott said, given the weak overall U.S. car market and the absence of the Honda Civic CRX and Civic wagon during the 1992 model year.

Next year, Accord sales will drop to 360,000 or 370,000 units from a projected 390,000 in 1992, in part because of the changeover to a redesigned Accord and because of an anticipated decrease in demand during the last year of the product cycle.

The company will offer an Accord value package next spring, probably based on the LX model, to help spring sales.

Marketing will tie the value package to celebration of this fall's 10th anniversary of Honda car production in the United States.

Honda also will offer a nationally advertised monthly base lease of $199 for a 1993 Accord LX sedan with five-speed manual transmission.

The term is 60 months with a $500 down payment. The program runs from Oct. 1 through end of November.

Lease terms can be shortened to 24, 36 or 48 months by paying higher rates, according to preliminary information given to dealers.

Staff Reporters Richard Johnson in Tokyo and Mary Connelly contributed to this report.

NO RISK
NO RECOURSE
NO KIDDING

Introducing An Alternative Financing Source That Increases Profits and Adds Cars To Your Lot Inventory.

Alternative financing is as easy as NAC. Enroll in our Dealer Acceptance Program and convert marginal credit opportunities into cash profits, without risk . . . without recourse. Enrolled dealers can qualify for a line of credit up to $150,000.

Not only does National Auto Credit help you sell your cars to marginal credit customers, we give you more cars to sell. When you enroll in our non-conventional finance program, we'll put up to 5 late-model, quality vehicles on your lot at absolutely no cost. It's called the Program Car Benefit, and you won't find it anywhere else but NAC.

Imagine the impact on your bottom line when you begin converting bank turndowns into cash sales . . . imagine how your lot profits would benefit from 5 more cars that cost you nothing.

Call or write NAC today, and find out how you can enroll in our Dealer Acceptance Program.

1-800-542-2054 216 349-3948
6001 Cochran Road, Suite 203, Cleveland, Ohio 44139

NAC
NATIONAL AUTO CREDIT
Because Your Customers Deserve More Credit.

1992 U.S. AND CANADA MODEL YEAR CAR AND TRUCK OUTPUT, BY PLANT

CAR OUTPUT

CHRYSLER CORP.

Chrysler Fifth Avenue	37,884
Chrysler Imperial	7,643
Chrysler New Yorker Salon	19,779
Dodge Dynasty	96,403
Belvidere, Ill.	**161,709**
Eagle Premier	5,180
Dodge Monaco	1,960
Bramalea, Ontario	**7,140**
Dodge Spirit	78,740
Chrysler LeBaron A	3
Chrysler LeBaron J	44,434
Plymouth Acclaim	77,105
Newark, Del.	**200,282**
Dodge Viper*	162
New Mack Ave. (Detroit)	**162**
Dodge Daytona	13,478
Dodge Shadow	89,987
Plymouth Sundance	66,557
Sterling Heights, Mich.	**170,022**
Total Chrysler	**539,315**

FORD MOTOR CO.

Ford Taurus	183,999
Mercury Sable	61,656
Atlanta	**245,655**
Ford Taurus	184,055
Mercury Sable	65,874
Chicago	**249,929**
Ford Mustang	79,280
Dearborn, Mich.	**79,280**
Ford Tempo	128,912
Mercury Topaz	57,409
Kansas City, Mo.	**186,321**
Ford Thunderbird	77,789
Mercury Cougar	49,254
Lorain, Ohio	**127,043**
Ford Tempo	110,058
Mercury Topaz	43,813
Oakville, Ontario	**153,871**
Ford Crown Victoria	152,373
Mercury Grand Marquis	163,262
St. Thomas, Ontario	**315,635**
Ford Escort	104,830
Wayne, Mich.	**104,830**
Lincoln Continental	40,822
Lincoln Mark VII	5,732
Lincoln Town Car	113,458
Wixom, Mich.	**160,012**
Total Ford	**1,622,576**

GENERAL MOTORS

Buick Roadmaster	73,817
Cadillac Brougham	13,761
Chevrolet Caprice	55,385
Arlington, Texas	**142,963**
Chevrolet Corvette	20,479
Bowling Green, Ky.	**20,479**
Buick Riviera	12,585
Cadillac Allante	1,931
Cadillac Eldorado	31,151
Cadillac Seville	43,954
Olds. Toronado	6,436
Detroit-Hamtramck, Mich.	**96,057**
Olds. Cutlass Supreme	91,945
Doraville, Ga.	**91,945**
Pontiac Grand Prix	119,319
Fairfax, Kan.	**119,319**
Buick LeSabre	171,551
Olds. Eighty Eight	79,107
Flint, Mich. (Buick City)	**250,658**
Cadillac DeVille	142,328
Olds. Ninety Eight	47,584
Lake Orion, Mich.	**189,912**
Buick Skylark	60,646
Pontiac Grand Am	103,621
Lansing, Mich. (C plant)	**164,267**
Oldsmobile Achieva	77,456
Pontiac Grand Am	104,947
Lansing, Mich. (M plant)	**182,403**
Chevrolet Cavalier	225,633
Pontiac Sunbird	100,402
Lordstown, Ohio	**326,035**
Buick Century	93,937
Olds. Cutlass Ciera	139,906
Oklahoma City	**233,843**
Chevrolet Lumina	188,245
Oshawa, Ontario (No. 1)	**188,245**
Buick Regal	114,893
Chevrolet Lumina	68,025
Oshawa, Ontario (No. 2)	**182,918**
Saturn	169,959
Spring Hill, Tenn.**	**169,959**
Chevrolet Camaro	70,008
Pontiac Firebird	27,566
Van Nuys, Calif.	**97,574**
Buick Park Avenue	68,942
Olds. Eighty Eight	36,217
Pontiac Bonneville	124,511
Wentzville, Mo.	**229,670**
Buick Roadmaster wagon	11,715
Chevrolet Caprice	61,394
Olds. Custom Cruiser wag.	4,347
Willow Run, Mich.	**77,456**
Chevrolet Corsica-Beretta	197,284
Wilmington, Del.	**197,284**
Total General Motors	**2,960,987**

CAMI

Geo Metro/Suzuki Swift	104,237
Ingersoll, Ontario	**104,237**
Total CAMI***	**104,237**

DIAMOND-STAR MOTORS CORP.

Eagle Summit	7,728
Eagle Talon	33,512
Mitsubishi Eclipse	64,056
Mitsubishi Mirage	23,176
Plymouth Laser	26,866
Normal, Ill.	**155,338**
Total Diamond-Star	**155,338**

HONDA OF AMERICA MFG. INC.

Honda Civic	81,543
Alliston, Ontario	**81,543**
Honda Civic	82,492
Honda Accord	22,275
East Liberty, Ohio	**104,767**
Honda Accord*	355,438
Marysville, Ohio	**355,438**
Total Honda	**541,748**

HYUNDAI AUTO CANADA

Hyundai Sonata	21,331
Bromont, Quebec	**21,331**
Total Hyundai	**21,331**

MAZDA MOTOR MFG. (U.S.A.) CORP.

Ford Probe	50,517
Mazda MX-6	8,575
Mazda 626	29,069
Flat Rock, Mich.	**88,161**
Total Mazda	**88,161**

NEW UNITED MOTOR MFG. INC.

Chevrolet Geo Prizm	85,000
Toyota Corolla	115,985
Fremont, Calif.	**200,985**
Total NUMMI	**200,985**

NISSAN MOTOR MFG. CORP. U.S.A.

Nissan Sentra	128,484
Smyrna, Tenn.	**128,484**
Total Nissan	**128,484**

SUBARU-ISUZU AUTOMOTIVE INC.

Subaru Legacy	58,728
Lafayette, Ind.	**58,728**
Total Subaru-Isuzu	**58,728**

TOYOTA MOTOR MFG. INC. U.S.A.

Toyota Camry	187,726
Georgetown, Ky.	**187,726**
Toyota Corolla	71,053
Cambridge, Ontario	**71,053**
Total Toyota	**258,779**

VOLVO

Volvo 740-940 series	6,517
Halifax, Nova Scotia	**6,517**
Total Volvo	**6,517**

Total U.S. car	**5,554,696**
Total Canada car	**1,132,490**
Total U.S. and Canada car	**6,687,186**

TRUCK OUTPUT

CHRYSLER CORP.

Jeep Wrangler	62,015
Brampton, Ontario	**62,015**
Jeep Grand Cherokee	36,623
Jefferson North (Detroit)	**36,623**
Dodge Ram Van	54,801
Dodge Ram Wagon	18,733
Pillette (Windsor, Ontario)	**73,534**
Chrysler Town & Country	13,542
Dodge Caravan	123,640
Dodge Caravan C/V	3,533
Plymouth Voyager	99,473
St. Louis (No. 2)	**240,188**
Jeep Cherokee	150,124
Jeep Comanche	3,297
Jeep Wagoneer	1,629
Toledo, Ohio	**155,050**
Dodge full-sized pickups	60,061
Dodge Dakota	136,124
Warren, Mich.	**196,185**
Dodge Caravan	162,225
Dodge Caravan C/V	6,140
Plymouth Voyager	118,616
Windsor, Ontario	**286,981**
Total Chrysler	**1,050,576**

FORD MOTOR CO.

Ford Ranger	92,120
Edison, N.J.	**92,120**
Ford F-series pickups	203,572
Kansas City, Mo.	**283,572**
Ford heavy trucks	37,445
Kentucky truck (Louisville)	**37,445**
Ford Econoline	166,572
Lorain, Ohio	**166,572**
Ford Explorer	329,730
Ford Ranger	87,192
Mazda Navajo	9,202
Louisville, Ky.	**426,124**
Ford Bronco	25,516
Ford F-series pickups	76,427
Michigan Truck (Wayne)	**101,943**
Ford F-series pickups	118,804
Norfolk, Va.	**118,804**
Ford F-series pickups	118,238
Ontario Truck (Oakville)	**118,238**
Ford Aerostar	181,416
St. Louis	**181,416**
Ford F-series pickups	28,537
Ford Ranger	85,458
St. Paul, Minn. (Twin Cities)	**113,995**
Total Ford	**1,560,229**

GENERAL MOTORS

Chevrolet Astro	134,015
GMC Safari	51,345
Baltimore	**185,360**
Chevrolet & GMC P models	23,315
Detroit	**23,315**
Chevrolet C/K pickups	139,481
GMC Sierra	45,024
Fort Wayne, Ind.	**184,505**
Chevrolet Blazer	17,444
GMC Yukon	5,353
Chevrolet Suburban	38,881
GMC Suburban	23,386
Chevrolet C/K pickups	6,273
GMC Sierra	3,059
Chevrolet Kodiak	6,363
GMC Topkick	17,688
Janesville, Wis.	**118,447**
Chevrolet full-sized vans	32,502
GMC full-sized vans	13,752
Lordstown, Ohio	**46,254**
Chevrolet S10 pickups	38,078
Chevrolet S10 Blazer	88,302
Chevrolet postal vehicles	19,592
GMC Sonoma	9,469
GMC S15 Jimmy	29,700
Oldsmobile Bravada	11,870
Moraine, Ohio	**197,011**
Chevrolet C/K pickups	170,834
GMC Sierra	61,579
Oshawa, Ontario	**232,413**
Chevrolet C/K pickups	135,101
GMC Sierra	56,451
Pontiac, Mich. (East)	**191,552**
Chevrolet S10 pickups	27,550
Chevrolet S10 Blazer	36,658
GMC Sonoma	12,107
GMC S15 Jimmy	11,163
Pontiac, Mich. (West)	**87,478**
Chevrolet full-sized vans	68,776
GMC full-sized vans	29,979
Scarborough, Ontario	**98,755**
Chevrolet S10 pickups	126,332
GMC Sonoma	29,245
Shreveport, La.	**155,577**
Chevrolet Lumina APV	55,354
Oldsmobile Silhouette	16,727
Pontiac Trans Sport	41,529
Tarrytown, N.Y.	**113,610**
Total General Motors	**1,634,277**

CAMI

Geo Tracker-Suzuki Swift	62,999
Ingersoll, Ontario	**62,999**
Total CAMI***	**62,999**

NISSAN MOTOR MFG. CORP. U.S.A.

Nissan pickup	80,942
Smyrna, Tenn.	**80,942**
Total Nissan	**80,942**

NEW UNITED MOTOR MFG. INC.

Toyota pickup	46,704
Fremont, Calif.	**46,704**
Total NUMMI	**46,704**

SUBARU-ISUZU AUTOMOTIVE INC.

Isuzu Pickup*	31,584
Isuzu Rodeo*	55,902
Layfayette, Ind.	**87,486**
Total Subaru-Isuzu	**87,486**

Total U.S. truck	**3,588,278**
Total Canada truck	**934,935**
Total U.S. and Canada truck	**4,523,213**
TOTAL U.S. & CANADA CAR AND TRUCK	**11,210,399**

*Company estimate; 1992 model production will end in October. **Automotive News estimate; 1992 model production will end in October. ***Automotive News estimate

BUILD

Cars dip, trucks rise in model-year tally

continued from PAGE 8

length [illegible] odel year varies from [illegible] odel and is governed [illegible] inventories.

The Ma[illegible], Ohio, plant of Honda of America Manufacturing Inc. moved up a notch to second place.

Sales of domestically produced Accords in the first 11 months of the model year rose 1.9 percent, while imported Accords fell 34.4 percent. For the 1992 model year, 355,438 Honda Accords were assembled at Marysville, bumping General Motors' Lordstown, Ohio, car plant to third place.

In 1992, Lordstown, which produces the Chevrolet Cavalier and the Pontiac Sunbird, assembled 14.2 percent fewer vehicles than in 1991 because of a decrease in demand for both cars.

Ford's St. Thomas, Ontario, car facility rose to the fourth place because of an extended model year. Ford began production of the 1992 Ford Crown Victoria and Mercury Grand Marquis in January 1992. Total 1992 production was 315,635, up 87.9 percent over 1991.

Chrysler opened two new plants and launched two new vehicles in the 1992 model year. The New Mack Avenue. facility in Detroit began production of the Dodge Viper in December 1992. Production of the 1992 Viper is slated to end in October.

The Jefferson North assembly plant, also in Detroit, began building the Grand Cherokee in January 1992 and ended the model year in July with 36,623 units.

Chrysler's Windsor, Ontario, facility finished fifth and for the first time was joined by the St. Louis (No. 2) minivan facility in response to a 17.3 percent rise in Chrysler's minivan sales. The Windsor plant builds the Dodge Caravan, the Dodge Caravan C/V and the Plymouth Voyager. It produced 286,891 units, up 27.7 percent over 1991. The St. Louis (No. 2) facility built 240,188 minivans in 1992, a gain of 42.1 percent over 1991.

1992 MODEL YEAR PRODUCTION

BY STATE

	Car	Truck	Total
Michigan	1,563,220	637,096	2,200,316
Ohio	913,283	564,887	1,478,170
Missouri	415,991	625,176	1,041,167
Kentucky	208,205	463,569	671,774
Illinois	566,976	—	566,976
Delaware	397,566	—	397,566
Tennessee	298,443	80,942	379,385
California	298,559	46,704	345,263
Georgia	337,600	—	337,600
Indiana	58,728	271,991	330,719
Oklahoma	233,843	—	233,843
Maryland	—	185,360	185,360
Louisiana	—	155,577	155,577
Texas	142,963	—	142,963
Kansas	119,319	—	119,319
Virginia	—	118,804	118,804
Wisconsin	—	118,447	118,447
Minnesota	—	113,995	113,995
New York	—	113,610	113,610
New Jersey	—	92,120	92,120
Total U.S.	**5,554,696**	**3,588,278**	**9,142,974**

BY PROVINCE

Ontario	1,104,642	934,935	2,039,577
Quebec	21,331	—	21,331
Nova Scotia	6,517	—	6,517
Total Canada	**1,132,490**	**934,935**	**2,067,425**
TOTAL U.S. & CANADA	**6,687,186**	**4,523,213**	**11,210,399**

Source: Automotive News Data Center

TOP 10 PLANTS BY PRODUCTION U.S. and CANADA

Louisville, Ky.	Ford	426,124
Marysville, Ohio	Honda	355,438
Lordstown, Ohio	GM	326,035
St. Thomas, Ontario	Ford	315,635
Windsor, Ontario	Chrysler	286,981
Flint, Mich. (Buick City)	GM	250,658
Chicago	Ford	249,929
Atlanta	Ford	245,655
St. Louis (No. 2)	Chrysler	240,188
Oklahoma City	GM	233,843

BOHN

Porsche replaces top boss Arno Bohn

continued from PAGE 1

In February, after a bitter, public battle with the board, Bohn won a contract that runs through 1995. There was no indication last week of how the contract affected Bohn's departure.

Bohn left Porsche Sept. 25, the day of the announced change, although he was officially to have departed Sept. 30. In a two paragraph statement, Porsche said he left by mutual agreement because of differences of opinion over business policy.

Wiedeking worked at Porsche from 1983 to 1988 and was responsible for special tasks, including construction of the new paint shop and body shop.

He left the company to become a director at Glyco AG, a supplier, and returned to Porsche Oct. 1, 1991, to head production and materials.

According to sources, Porsche sales for the fiscal year ended July 31, plummeted to 18,500 vehicles compared with about 22,000 a year earlier.

Porsche also produced 4,100 of the 500E models for Mercedes-Benz. Bohn had predicted Porsche would break even building 21,000 vehicles.

For the first half of the fiscal year, Porsche earnings fell 97 percent to $1.3 million.

Analysts said Bohn is being blamed for Porsche's financial ills, perhaps unfairly.

"You just have to look around the rest of the luxury market, and it's obvious that none of the manufacturers are in a better state. It is difficult to call the problem at Porsche a management failure," said John Lawson at DRI/Europe in London.

The fate of the new Porsche roadster that Bohn spearheaded is unknown. To bolster sales of the year-old 968 in Europe, Porsche will introduce a $52,000 version in October, $8,000 less than others.

Porsche said the company is content with the car's performance in the United States.

"We hope the car will attract interest in Europe; for the first time in three years, we will have a car for less" than $54,000, said a Porsche spokesman.

Bohn, 45, joined Porsche on Jan. 1, 1990, and was named chief executive on March 1, 1990. Seven months ago, the supervisory board declined to renew Bohn's contract and tried to lure Wolfgang Reitzle, BMW research and development chief, to the helm. Reitzle turned the board down.

Bohn mustered union and employee support, threatened to resign and won a three-year renewal of his contract on Feb. 25.

Sources say the contract is worth more than $650,000.

Confident of the labor support behind him — which makes up half of the supervisory board — Bohn boldly suggested the Porsche and Piech families reduce their membership on the board.

Ferdinand Piech, the new chairman of Volkswagen AG, is a member of the Porsche board, and reportedly he personally tried to recruit Reitzle.

GM, Ford spin new web of rebates

JENNIFER HEIL
Special Correspondent

General Motors and **Ford Motor Co.** have new incentive programs to replace the rebates that expired Sept. 23.

Customer incentives for the 1992 and 1993 **Buick** Park Avenue, Park Avenue Ultra and Riviera now range from $750 to $1,500 and expire Jan. 24. Buick had offered rebates on those models ranging from $750 to $1,000 on 1993s and from $1,000 to $2,000 on 1992s.

GMC Truck announced rebates of $300 to $1,000 on 1993 models. Excluding the $1,000 rebate on the 1992 G Van with the YF7 option package, all incentives on 1992 GMC models have expired. Current 1992 and 1993 rebates expire Jan. 24.

The rebate for the 1991 **Chevrolet** Geo Storm has been raised from $$750 to $1,500 and expires Jan. 24. New and continuing incentives for 1992 and 1993 models also expire Jan. 24.

Dealer incentives for Chevrolet include $1,500 for the 1993 Geo Prism and $1,000 for 1992 and 1993 Corvettes.

Oldsmobile is offering new factory-to-dealer incentives on 1992 models, but is not extending the 1992 customer rebates that expired Wednesday. Dealer incentives range from $750 to $1,000 and expire Jan. 24, 1993.

New customer rebates for 1992 **Pontiac** models expire March 31. Incentives range from $500 on the 1992 Firebird to $1,250 on the 1992 Grand Prix and Bonneville.

Cadillac rebates to buyers of 1992 models have not been extended, but Cadillac is offering a $1,500 dealer incentive on the 1992 Fleetwood, DeVille, Seville and Eldorado. It expires Oct. 31.

Ford has reduced finance rates to 5.9 percent from 7.9 in its 1992- and 1993-model programs. New and continuing customer rebates on 1992 and 1993 models expire Dec. 18. Ford did not extend customer incentives on 1991 models.

Chrysler Corp. has added 1993 minivans to its incentive package until Dec. 31. The rebate is $1,000 on long-wheelbase models in California and Hawaii and $500 in other states, and $500 on short-wheelbase models in all 50 states.

Chrysler has extended its Physically-Challenged Assistance Program for the 1993 model year. The program provides incentives for the purchase or installation of special adaptive equipment for Chrysler vehicles.

The program, which had more than 3,000 participants in the 1992 model year, provides a cash reimbursement up to $500 per vehicle for expenses incurred by the customer for as many as two new vehicles in the 1993 model year.

New **Hyundai** rebates for 1993 models range from $500 to $750. Incentives for 1992 Excels and Scoupes have been raised to $750 to $1,000; they were $500 to $750. The 1991 Excel has a $1,200 rebate. Incentives for 1992 and 1993 models expire Nov. 3, and 1991-model rebates expire Oct. 2.

INCENTIVE WATCH— DEALER INCENTIVES

NEW PROGRAMS

CADILLAC (1992 models; expires Oct. 31)

DeVille, Fleetwood, Eldorado, Seville	$1,500

OLDSMOBILE (1992 models; expires Jan. 24)

Achieva, Cutlass Supreme (except conv.), Ninety Eight, Bravada	$1,000
Eighty Eight, Silhouette	$750

CONTINUING PROGRAMS

ACURA (1992 models; expires Nov. 3)

Legend sedan	$2,500
Legend coupe	$1,000

BMW (no expiration date)

750iL (1991)	$10,000

HONDA (1992 models; expires Sept. 30)

Accord	$500

ISUZU (expires Sept. 30)

Impluse (1991)	$2,500
Impulse (1992)	$1,500
Stylus (1991 Calif.)	$800-2,000
Stylus (1991)	$800-1,100
Stylus (1992)	$500
*Pickup (1991-'92)	$800-1,600
*Rodeo (1991-'92)	$400-1,400

*Dealer can choose flat payment or one based on number sold.
Dealer has the option to sharing rebate with buyer.

LOTUS (1991 models; no expiration date)

Elan	$5,000
Esprit Turbo	$11,000-15,000

MITSUBISHI (1992 models; expires Sept. 30)

Expo/Eclipse (combined)	0-$1,200, based on number sold
Galant or pickup (dealer's choice)	0-$1,200, based on number sold

NISSAN (1992 models; expires Sept. 30)

Maxima SE	$250
Sentra 2-dr.	$800
Other Sentra	$950
Maxima GXE	$1,000
240SX (except conv.)	$1,000
Stanza	$2,000
Pickup	$1,750

PEUGEOT (no expiration date)

405	$5,000
505	$6,000

SUBARU (1992 models; expires Nov. 3)

Legacy (invoiced before Feb. 4)	$500-2,500
Legacy (invoiced after Feb. 3)	$1,000-3,000
SVX	$2,000
Loyale awd wagon	$800

SUZUKI (expires Oct. 2)

Swift (1993)	$300-500
Swift (1992)	$500-1,000
Sidekick (1993)	$300-600
Sidekick (1992)	$700-1,000

TOYOTA (expires Nov. 3; all rebates are based on dealer's performance against quota)

Tercel (1992)	$100-500
Celica, Corolla (1992)	$400-800
Compact pickups:	
Base 1992	$800-1,200
Other 1992	$300-700
Base 1993	$600-1,000
Other 1993	$100-500

VOLKSWAGEN (1992 models; expires Sept. 30)

Cabriolet, Corrado	$1,500
Passat	$750
Fox, Golf	$500
Jetta GL and Carat	$500

INCENTIVE WATCH — CUSTOMER INCENTIVES

NEW PROGRAMS

HYUNDAI (expires Oct. 2 on 1991 models; Nov. 3 on 1992-93 models)

Sonata (1993)	$750
Elantra (1993)	$500
Sonata (1992)	$1,500-2,000
Excel (1992), Scoupe (1992), Elantra (1992)	$750-1,000
Excel (1991)	$1,200

CONTINUING PROGRAMS

CHRYSLER CORP.
Expires Sept. 30. In lieu of rebates, finance rates of 4.9 to 9.9 percent.

1993 models

Chrysler LeBaron 2-dr.	$1,500
Imperial, New Yorker Fifth Ave.	$1,250
N.Y. Salon	$750
LeBaron sedan, conv.	$500
Dodge Daytona	$1,000
Dynasty	$750
Shadow, Spirit	$500
Dodge Ramcharger, Ram pickup (gas)	$1,500
Ram wagon/van conversion	$1,000
Dakota	$500
Eagle Talon	$500
Jeep Wrangler	$500
Plymouth Sundance, Acclaim, Laser	$500
Minivans	
Long-wheelbase (Calif., Hawaii)	$1,000
Long-wheelbase (other states)	$500
Short-wheelbase (all states)	$500

1992 models

Chrysler LeBaron coupe and conv., Imperial, N.Y. Fifth Ave.	$1,500
N.Y. Salon, LeBaron sedan	$1,000
Dodge Shadow conv.	$1,500
Other Shadow, Daytona, Spirit, Dynasty	$1,000
Colt 3-door (exclude Calif., Hawaii)	$700
Dodge Ramcharger	$2,000
Ram pickup (gas)	$1,500
Ram wagon/van conversion	$1,000
Dakota	$750
Ram 50 (exclude Calif., Hawaii)	$750
Eagle Talon Turbo	$1,500
Other Talon, Summit 4-door	$1,000
Summit 3-door (exclude Calif., Hawaii)	$700
Summit wagon	$500
Jeep Comanche	$750
Wrangler	$500
Plymouth Laser Turbo	$1,500
Other Laser, Acclaim, Sundance	$1,000
Colt 3-door (exclude Calif., Hawaii)	$700
Vista	$500
Minivans: Calif., Hawaii — long and short wheelbase	$1,000
Other states — short wheelbase	$500
Long wheelbase	$1,000

1991 models

Chrysler LeBaron coupe and conv., Imperial, N.Y. Fifth Ave.	$1,500
N.Y. Salon, LeBaron sedan	$1,000
Dodge Shadow conv., Daytona	$1,500
Other Shadow, Spirit, Dynasty	$1,000
Colt 3-door (exclude Calif., Hawaii)	$700
Dodge Ramcharger	$2,000
Ram pickup (gas)	$1,500
Ram wagon/van conversion	$1,000
Dakota	$750
Ram 50 (exclude Calif., Hawaii)	$750
Eagle Talon Turbo	$1,500
Other Talon, Summit 4-door	$1,000
Summit 3-door (exclude Calif., Hawaii)	$700
Summit wagon	$500
Jeep Comanche	$750
Wrangler	$500
Plymouth Laser Turbo	$1,500
Other Laser, Acclaim, Sundance	$1,000
Colt 3-door (exclude Calif., Hawaii)	$700
Vista	$500
Minivans: Calif., Hawaii — long and short wheelbase	$1,000
Other states — short wheelbase	$500
Long wheelbase	$1,000

FORD MOTOR CO.

1993 models
Expires Dec. 18. In lieu of rebates, 5.9 percent financing is available unless otherwise indicated.

Ford Crown Victoria	$1,000
Taurus (regional)	$500-750
Tempo, Festiva	$500
Escort (regional)	$200-500
Mustang (regional)	0-$500
Ford Bronco, Econoline RV pkg.	$1,000
Aerostar, Econoline Club Wagon	$500
F series (regional)	0-$300
Lincoln Town Car, Continental (no finance incentive)	$1,000
Mercury Grand Marquis, Capri	$1,000
Sable (regional)	$500-750
Topaz	$500
Tracer (regional)	$200-500

1992 models
Expires Dec. 18 unless otherwise indicated. In lieu of rebates, 5.9 percent financing is available.

Ford Crown Victoria	$2,000
Probe (regional)	$1,000-1,500
Thunderbird, Taurus SHO	$1,000
Mustang (regional)	$500-1,000
Tempo, Other Taurus (regional)	$500-750
Festiva	$500
Ford Econoline RV	$1,000
Ranger (regional)	$750-1,000
Aerostar (regional)	$500-750
Econoline Club Wagon	$500
F series (regional)	0-$300
Lincoln Mark VII	$3,000
Town Car, Continental	$2,000

No finance option on Lincoln.

Mercury Grand Marquis, Capri	$2,000
Tracer LTS (regional)	$400-1,500
Cougar	$1,000
Other Tracer	$400-1,000
Topaz, Sable (regional)	$500-750

GENERAL MOTORS

1993 models
Expires Jan. 24. In lieu of rebates, 2.9 to 6.9 percent financing is available.

Buick Riviera, Park Avenue Ultra	$750-1,500
Century, LeSabre, Regal, Roadmaster, Skylark	$250-1,000

Rebates based on option package offered.

Chevrolet Caprice, Geo Storm	$1,000
Corsica, Beretta, Lumina	$750
Lumina APV	$500
Chevrolet S10 Blazer, Sport Van (with YF-7 pkg.)	$1,000
S10 pickup	$750
Other Sport Van, Tracker, Astro	$500
C/K pickup (reg. cab)	$300
GMC Jimmy (exclude Typhoon), G-Van (with YF7)	$1,000
Sonoma, other G-Van, Safari	$500
Sierra pickup	$300
Oldsmobile Bravada	$1,500
Silhouette, Eighty Eight	$750-1,000
Ninety Eight	$500-1,000
Achieva, Cutlass Ciera, Cutlass Supreme	$500-750

Rebates based on option package ordered.

Pontiac Grand Am, Grand Prix, Bonneville, Trans Sport	$500

1992 models
Expires Jan. 24. In lieu of rebates, finance rates of 2.9 to 6.9 percent are offered.

Buick Skylark	$1,000
Century, Regal, LeSabre, Roadmaster	$250-1,000

Rebates based on option package ordered.

Chevrolet Geo Storm	$1,500
Caprice	$1,000
Lumina, Corsica	$750
Beretta	$500
Cavalier	$400
Chevrolet S10 Blazer	$2,000
Sportvan (with YF7), Astro (with YF7)	$1,000
S10 pickup	$750
Lumina APV, other Sportvan, other Astro, Tracker	$500
C/K pickup (regular cab)	$300
GMC G-Van (with YF7)	$1,000

1991 models

Chevrolet Geo Storm (expires Jan. 24)	$1,500

GM, Suzuki get break on trade content

LINDSAY CHAPPELL
Staff Reporter

General Motors and Suzuki Motor Co. will avoid future domestic-content confrontations over their Canadian-made vehicles because of a special clause in the proposed North American Free Trade Agreement.

The pact singles out CAMI Automotive Inc. for a unique exception from tough new rules on the origin of auto components.

CAMI, an assembly joint venture between Suzuki and GM of Canada Ltd., builds up to 200,000 Geo Metros and Trackers and Suzuki Swifts and Sidekicks annually, most of them for U.S. sales.

Under the CAMI clause, all four products can be averaged together with GM's other Canadian-made vehicles to determine an average U.S.-Canada content level.

Since most of GM's products boast U.S.-Canada content levels of more than 90 percent, the averaging is certain to push CAMI safely above the new rules.

That could save both partners 2.5 percent in tariff charges when the cars enter the United States, and 25 percent in tariffs on the sport-utilities.

CAMI, along with other Japanese-associated Canadian makers, have been grappling with the U.S. Customs Service over whether their vehicles contain at least 50 percent U.S.-Canada content. If not, the vehicles do not qualify for U.S. duty-free entry.

Earlier this year, Customs told Honda of Canada Manufacturing Inc. that its Civic hatchbacks did not meet the requirement, which made Honda liable for more than $16 million in back duty payments. Honda and Canada have challenged the ruling, and no tariffs have been paid yet.

Under the new North American Free Trade Agreement rules, the content requirement will rise to 62.5 percent for Canada, the United States and Mexico, but the new method of calculation is less ambiguous than the old, and Honda Civics should have no trouble avoiding duties on passage.

The issue has been a political one for the Canadian transplants, and the group has expressed concerns over how it will comply with the proposed North American Free Trade Agreement rule.

"CAMI's content level is really close to the line," said Tayce Wakefield, director of public relations for GM of Canada. "This gives CAMI extra protection and makes sure that it doesn't get caught in any glitches."

Customs is currently auditing CAMI's vehicles to determine their U.S.-Canada content levels under the existing U.S.-Canadian Free Trade Agreement. However, whatever those findings are, they will be superceded by the NAFTA rules if the treaty is adopted.

Even then, the CAMI clause will not guarantee CAMI products entry into Mexico. Suzuki remains effectively barred from sales in Mexico under the agreement, because it doesn't manufacture in the country. And while GM can sell its CAMI versions there, the cars still will have to meet the 62.5-percent requirement on their own, without Canadian averaging.

"That's one of the things we were not real pleased about," said GM of Canada spokesman Stuart Low, "but it's a workable compromise."

SCHEDULED PLANT CLOSINGS

Plant	Weeks down	Units lost/ week
GENERAL MOTORS		
Willow Run, Mich.	**9/28, 10/5**	
Buick Roadmaster wagon		100
Chevrolet Caprice sedan and wagon		1,200
Total U.S. car		**1,300**
Total units lost week of 9/28		**1,300**

Source: Automotive News Data Center

GM lowers estimated 3rd-quarter production

PHIL FRAME
Staff Reporter

General Motors reduced its third-quarter North American production estimate by 79,000 units and said it would build 27,000 fewer cars and trucks in the fourth quarter this year than it did in the last three months of 1991.

Most of the third-quarter reduction — 48,000 units — was due to an Aug. 26 strike at a Lordstown, Ohio, parts plant that forced the shutdown of several assembly plants and a slowdown at others, GM said last week.

GM now estimates that production in the third quarter, which ends Wednesday, will be 897,000 cars and trucks in North America. That compares with 1,000,876 in the third quarter of 1991 and 1,197,267 in 1990's third quarter.

Fourth-quarter production this year was forecast at 1,181,001 units, down from 1,208,000 in the same period of 1991 but higher than the 1,066,447 built in the last three months of 1990.

The early release of production estimates last week was unusual.

"Based on previous figures we had given and the number of vehicles we were going to miss it by, we felt it would be important to let everybody know we were going to miss it," a GM spokesman said.

Fourth-quarter production plans reflect GM's expectation that the North American vehicle market will remain sluggish in the period.

The reduction from 1991's fourth quarter also reflects this summer's decision to end price subsidies to daily rental car companies. GM had used the subsidies to stimulate sales and maintain production and market share.

But the ensuing glut of program cars returning to the marketplace hurt residual values and exacerbated GM's losses.

Earlier this year, GM decided that turning a profit was more important than maintaining a certain market share, so the company changed its policies on production, fleet subsidies and program cars.

The policy changes mean that rental cars will remain in service longer, and that means rental car companies will be buying cars less often.

The in-service cycle for GM rental cars is expected to increase from six-to-seven months now to eight-to-nine months during 1993.

Besides affecting production, it also means that used daily rental vehicles are less likely to undermine new-vehicle sales. ANS

U.S. AND CANADA CAR AND TRUCK PRODUCTION

Vehicles are assembled in the United States unless noted. Vehicles are cars unless noted.

	Est. 9/21-9/25/92	Actual 9/14-9/18/92	9/1 9/25/92	Year 1/1-9/25/92	Year 1/1-9/28/91
Concorde (Can.)	1,150	682	1,850	1,896	0
LeBaron A	600	0	1,601	3,711	0
LeBaron J	1,050	0	2,620	38,068	18,988
New Yorker	850	0	1,937	13,472	5,135
Fifth Avenue	650	0	2,781	31,821	21,432
Imperial	180	0	532	4,471	6,303
Town & Country (trk.)	550	442	1,805	13,563	3,094
Total Chrysler Div.	**5,830**	**1,124**	**13,125**	**107,002**	**54,952**
Sundance	1,550	1,656	5,821	49,029	45,894
Acclaim	1,350	0	4,115	54,796	59,261
Voyager (trk.)	2,150	2,627	8,432	76,219	72,085
Voyager (Can. trk.)	3,006	2,690	9,803	85,842	82,654
Total Plymouth	**8,056**	**6,973**	**28,172**	**265,886**	**259,894**
Intrepid (Can.)	845	1,032	4,133	8,708	0
Daytona	350	348	1,250	10,879	5,252
Shadow	2,300	2,298	8,207	73,401	50,763
Dynasty	1,450	0	4,455	63,929	92,062
Spirit	1,550	0	3,933	52,531	54,989
Viper	10	7	44	174	0
Monaco (Can.)	0	0	0	0	7,880
Caravan (trk.)	3,250	2,801	10,436	96,161	84,043
Caravan (Can. trk.)	3,498	3,019	11,152	122,991	106,613
Caravan C/V (trk.)	50	58	201	2,189	2,551
Caravan C/V (Can. trk.)	96	74	304	4,778	12,543
Dakota (trk.)	3,600	3,536	12,618	108,755	66,963
Ram pickup (trk.)	1,200	1,173	4,171	42,764	58,038
Ram wagon (Can. trk.)	350	307	1,151	16,107	14,914
Ram van (Can. trk.)	1,610	1,607	5,552	52,115	30,703
Total Dodge	**20,159**	**16,280**	**67,806**	**657,482**	**587,314**
Vision (Can.)	280	445	1,344	4,582	0
Premier (Can.)	0	0	0	0	10,222
Cherokee (trk.)	2,900	3,002	10,582	102,847	108,094
Comanche (trk.)	0	0	0	952	3,909
Grand Cherokee (trk.)*	3,700	3,428	12,737	69,022	1,560
Briarwood (trk.)	0	0	0	330	2,175
Wrangler (trk.)	1,450	1,586	5,417	12,173	0
Wrangler (Can trk.)	0	0	0	28,962	45,816
Total Jeep-Eagle	**8,330**	**8,482**	**30,081**	**218,878**	**171,776**
Total U.S. car	**11,890**	**4,309**	**37,296**	**397,082**	**360,879**
Total Can. car	**2,275**	**2,188**	**7,327**	**15,196**	**18,182**
Total U.S. truck	**18,858**	**18,653**	**68,399**	**526,575**	**402,512**
Total Can. truck	**8,569**	**7,697**	**27,963**	**319,795**	**293,243**
CHRYSLER CORP.	**41,575**	**32,819**	**138,986**	**1,258,048**	**1,073,936**
Escort	5,783	0	15,015	138,254	156,426
Mustang	0	2,718	7,127	72,264	67,466
Tempo	2,655	2,363	8,795	103,057	85,517
Tempo (Can.)	0	0	5,046	90,101	79,581
Taurus	11,205	11,257	39,481	307,157	244,772
Thunderbird	2,557	2,281	8,338	65,196	56,254
Crown Victoria (Can.)	2,253	2,246	7,630	80,464	70,009
Aerostar (trk.)	5,020	4,644	17,662	142,862	129,195
Bronco (trk.)	718	0	1,863	19,042	13,302
Explorer (trk.)	6,462	4,840	19,640	220,278	205,165
Mazda Navajo (trk.)	0	0	0	2,962	8,712
Econoline (trk.)	4,480	4,480	12,491	143,629	100,705
Heavy (trk.)	966	953	3,469	34,043	24,556
Light truck (trk.)	9,824	7,675	33,152	327,547	230,534
Light truck (Can. trk.)	3,051	3,075	10,315	91,370	76,178
Ranger (trk.)	1,768	161	1,929	160,097	203,628
Total Ford Division	**56,742**	**46,703**	**191,963**	**1,998,345**	**1,754,982**
Topaz	1,745	2,037	6,887	46,733	35,764
Topaz (Can.)	0	0	1,838	36,135	26,049
Cougar	1,715	1,519	5,570	42,510	44,813
Sable	1,829	1,837	7,349	94,428	77,285
Grand Marquis (Can.)	2,587	2,512	8,921	80,734	77,125
Mercury Villager (trk.)	986	767	2,983	9,008	0
Nissan Quest (trk.)	608	477	1,808	5,373	0
Total Mercury	**9,470**	**9,149**	**35,357**	**314,721**	**261,036**
Continental	845	846	3,034	29,136	41,875
Mark VII	0	0	0	2,380	7,336
Town Car	2,527	2,544	9,104	87,283	96,495
Total Lincoln	**3,372**	**3,390**	**12,138**	**118,799**	**147,706**
Total L-M Division	**12,842**	**12,539**	**47,495**	**433,520**	**408,742**
Total U.S. car	**30,861**	**27,412**	**110,701**	**980,298**	**918,005**
Total Can. car	**4,846**	**4,758**	**23,435**	**287,434**	**252,784**
Total U.S. truck	**36,832**	**23,997**	**94,997**	**1,064,861**	**915,797**
Total Can. truck	**3,851**	**3,875**	**10,315**	**91,376**	**76,178**
FORD MOTOR CO.	**80,584**	**58,242**	**239,448**	**2,431,969**	**2,162,744**
Skylark	1,855	1,805	6,091	45,308	32,326
Century	1,710	1,723	4,135	62,148	69,841
Regal (Can.)	2,500	2,505	8,790	72,405	92,111
Riviera	281	0	693	8,430	15,041
Park Avenue	1,965	1,928	5,258	44,226	80,085
LeSabre	3,614	3,565	10,734	118,519	58,048
Roadmaster sedan	828	771	2,624	33,512	23,853
Roadmaster wagon	230	191	423	7,347	18,787
Reatta	0	0	0	0	1,206
Total Buick	**12,983**	**12,488**	**38,747**	**391,895**	**391,298**
Eldorado	694	0	1,201	23,086	8,645
Seville	1,193	0	2,209	34,558	18,214
Brougham	1,104	838	2,805	5,851	15,586
DeVille	1,853	3,704	7,934	82,715	116,538
Allanté	64	64	230	1,641	2,252
Total Cadillac	**4,908**	**4,606**	**14,179**	**147,851**	**161,236**
Cavalier	4,015	4,267	11,360	146,392	188,082
Camaro	0	0	0	47,762	39,782
Camaro (Can.)	15	15	51	79	0
Corsica-Beretta	4,100	3,675	10,412	136,937	178,397
Lumina (Can.)	6,300	6,282	20,880	168,482	173,170
Caprice	2,273	1,921	5,428	77,920	100,253
Corvette	479	482	1,730	15,966	15,480
Astro (trk.)	2,734	2,795	6,708	105,898	71,954
Blazer (trk.)	510	436	1,836	18,611	5,622
Lumina APV (trk.)	980	958	3,452	33,865	32,758
Medium (trk.)	178	158	533	5,393	1,545
P-model (trk.)	460	13	1,437	15,708	15,626
Pickup (trk.)	6,360	6,245	22,937	210,871	213,280
Pickup (Can. trk.)	3,400	3,360	11,661	130,192	109,791
S10 (trk.)	4,748	4,913	17,409	148,227	192,438
S10 Blazer (trk.)	2,855	2,867	9,523	94,933	32,576
Sportsvan (trk.)	231	380	866	12,571	30,631
Sportsvan (Can. trk.)	1,600	1,606	5,248	53,573	37,925
Suburban (trk.)	1,834	1,484	6,297	47,127	21,160
Total Chevrolet	**42,872**	**41,859**	**137,858**	**1,488,187**	**1,454,478**
Achieva/Calais	995	941	2,771	75,695	34,616
Cutlass Ciera	3,413	3,400	8,095	95,728	71,436
Cutlass Ciera (Can.)	0	0	0	0	41,089
Cutlass Supreme	0	0	3,625	57,052	78,522
Toronado	0	0	0	3,274	3,750
Eighty Eight	1,317	1,410	4,108	50,499	62,283
Custom Cruiser wagon	0	0	50	2,127	6,527
Ninety Eight	381	169	567	18,743	59,288
Silhouette (trk.)	172	173	596	10,129	14,928
Bravada (trk.)	166	147	686	8,822	11,435
Total Oldsmobile	**6,444**	**6,248**	**20,498**	**322,099**	**383,874**
Sunbird	1,485	1,590	4,209	59,923	87,851
Grand Am	6,085	5,890	19,164	188,357	93,250
Firebird	0	0	0	17,116	15,090
Firebird (Can.)	10	10	34	54	0
Grand Prix	2,600	2,565	9,053	81,864	78,196
Pontiac 6000	0	0	0	0	19,603
Bonneville	2,944	2,731	7,476	70,307	54,164
Trans Sport (trk.)	823	801	2,860	29,704	20,577
Total Pontiac	**13,947**	**13,587**	**42,796**	**447,325**	**368,731**
Yukon-Jimmy (trk.)	199	235	738	5,925	1,644
Medium (trk.)	282	288	1,000	14,621	2,914
P-model (trk.)	74	2	159	1,675	1,938
Pickup (trk.)	2,396	2,119	8,378	81,124	89,673
Pickup (Can. trk.)	1,275	1,256	4,366	47,876	37,874
Syclone-Sonoma (trk.)	1,192	1,163	4,195	37,460	45,921
Typhoon-S15 Jimmy (trk.)	971	956	3,380	30,392	12,001
Safari (trk.)	1,094	951	2,361	42,407	29,958
Suburban (trk.)	964	996	3,179	26,138	16,832
Vandura (trk.)	128	87	373	6,470	13,672
Vandura (Can. trk.)	550	531	1,934	22,863	17,444
Total GMC	**9,125**	**8,584**	**30,861**	**316,951**	**289,871**
Total Saturn†	**4,400**	**4,400**	**13,200**	**149,279**	**65,648**
Total U.S. car	**49,878**	**48,030**	**145,383**	**1,761,992**	**1,712,648**
Total Can. car	**6,825**	**6,787**	**29,570**	**241,066**	**306,370**
Total U.S. truck	**29,151**	**27,969**	**98,982**	**986,071**	**879,983**
Total Can. truck	**6,825**	**6,753**	**23,209**	**254,504**	**197,634**
GENERAL MOTORS	**94,679**	**91,539**	**297,254**	**3,243,557**	**3,095,127**
Can. car	0	0	3,360	70,643	77,683
Can. trk.	0	0	2,084	43,466	35,170
CAMI†	**0**	**0**	**5,444**	**114,109**	**112,853**
DIAMOND-STAR†	**2,335**	**2,688**	**9,330**	**105,143**	**117,855**
Civic	2,335	2,243	7,710	74,496	63,435
Civic (Can.)	1,380	1,943	6,704	80,027	80,383
Accord	6,915	6,708	24,503	279,188	273,458
Total U.S. car	**9,250**	**8,951**	**32,212**	**353,684**	**336,893**
Total Can. car	**1,380**	**1,943**	**6,704**	**80,027**	**80,383**
HONDA	**10,630**	**10,894**	**38,916**	**433,711**	**417,276**
HYUNDAI Sonata (Can.)	**508**	**586**	**1,451**	**8,178**	**10,563**
AUTOALLIANCE†	**6,276**	**6,822**	**18,543**	**102,348**	**121,629**
U.S. trk.	1,585	1,594	5,745	50,103	49,464
Can. trk.	278	240	879	6,647	5,276
NAVISTAR	**1,863**	**1,834**	**6,625**	**56,750**	**54,740**
Altima	2,647	2,466	8,332	16,375	0
Sentra	2,310	2,302	8,267	89,299	99,088
Pickup (trk.)	2,760	2,750	9,789	98,458	95,202
NISSAN	**7,717**	**7,518**	**26,388**	**204,132**	**194,290**
Geo Prizm	930	795	2,251	53,986	72,518
Toyota Corolla	930	738	2,246	75,909	82,922
Toyota Pickup (trk.)	2,000	1,872	6,858	51,285	211
NUMMI	**3,860**	**3,405**	**11,355**	**181,180**	**155,651**
Legacy	1,184	1,266	4,367	43,770	43,030
Pickup (trk.)	559	545	1,994	18,232	19,398
Rodeo (trk.)	921	909	3,351	31,734	20,506
Total U.S. car	**1,184**	**1,266**	**4,367**	**43,770**	**43,030**
Total U.S. trk.	**1,480**	**1,454**	**5,345**	**49,966**	**39,904**
SUBARU-ISUZU	**2,664**	**2,720**	**9,712**	**93,736**	**82,934**
Camry	4,798	4,758	18,287	179,423	136,263
Corolla (Can.)	800	660	1,682	49,510	48,606
TOYOTA	**5,598**	**5,418**	**19,969**	**228,933**	**184,869**
VOLVO 740,940 (Can.)	**128**	**128**	**483**	**4,778**	**5,849**
AM GENERAL (trk.)	**388**	**388**	**1,880**	**19,229**	**15,178**
MISCELLANEOUS (trk.)**	**1,929**	**1,929**	**6,912**	**122,768**	**99,990**
Total U.S. car	**123,289**	**108,537**	**397,215**	**4,167,199**	**4,000,122**
Total Canada car	**18,740**	**19,014**	**74,032**	**796,766**	**809,339**
Total U.S.-Canada Car	**142,029**	**127,551**	**471,248**	**4,923,965**	**4,809,442**
Total U.S. truck	**86,878**	**80,589**	**296,118**	**2,989,787**	**2,497,333**
Total Canada truck	**18,714**	**17,785**	**64,458**	**708,782**	**606,991**
Total U.S.-Canada truck	**107,592**	**98,374**	**360,586**	**3,676,489**	**3,104,324**
TOTAL U.S.	**212,167**	**189,046**	**693,334**	**7,136,986**	**6,497,455**
TOTAL CANADA	**37,454**	**36,779**	**138,482**	**1,483,548**	**1,416,221**
TOTAL U.S.-CANADA CAR & TRUCK	**249,621**	**225,825**	**831,816**	**8,660,484**	**7,913,676**

*Estimate
**1991 figures reflect Grand Wagoneer production.
†CAMI includes Geo Metro and Suzuki Swift cars and Geo Tracker and Suzuki Sidekick trucks; Diamond-Star includes Eagle Summit and Talon, Mitsubishi Eclipse and Mirage and Plymouth Laser; AutoAlliance includes MX-6, 626 and Ford Probe.
**Estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz
Source: Automotive News Data Center

Output up 10.5% for week

GWENDOLYN ZONGHETTI
Special Correspondent

With several plants working overtime, production in the United States and Canada rose 10.5 percent last week.

In the United States, makers assembled 123,289 cars, up 13.6 percent from the prior week but down 2.2 percent from the 1991 week.

For 1992 to date, U.S. makers have produced 4,167,199 cars, up 4.2 percent from last year.

U.S. truckmakers last week produced 88,878 units, up 10.4 percent over the prior week and 4.2 percent over the 1991 week.

Year-to-date, U.S. truck production is 2,969,707 a gain of 18.9 percent over 1991.

Canadian automakers last week manufactured 18,740 cars, 1.4 percent fewer than the preceding week and 27.3 percent fewer than the year-ago week.

Since the start of the year, Canadian carmakers have produced 756,766 units, down 6.5 percent from 1991.

Canadian truckmakers last week produced 18,714 units, up 5.3 percent over the preceding week but off 10.0 percent from last year.

Last week's scheduled car and truck production was shared as follows:

General Motors, 37.2 percent; Ford Motor Co., 29.1 percent; Chrysler Corp., 14.5 percent; Honda of America Manufacturing Inc., 4.4 percent; Nissan Motor Manufacturing Corp. U.S.A., 3.6; AutoAlliance International Inc., 3.0; Toyota Motor Manufacturing (U.S.A.), 2.3 percent; New United Motor Manufacturing Inc., 1.8 percent; Subaru-Isuzu Automotive Inc., 1.3 percent; Diamond-Star Motors Corp., 1.1 percent; miscellaneous, 0.9 percent; Navistar International Corp., 0.7 percent; and AM General, 0.1 percent.

General Motors has decided to continuing producing the Buick Roadmaster Estate Wagon and Chevrolet Caprice station wagon at Willow Run., Mich., until February. Wagon output, which accounts for 29 percent of the plant's production, had been scheduled to move to Arlington, Texas, this fall.

Due to inventory adjustments, General Motors' Wentzville, Mo., car plant will work one shift daily this week and next. The morning shift will work one week; the evening shift will work the other.

GM's Scarborough and Oshawa, Ontario, truck plants worked Saturday overtime last week. The Moraine, Ohio, truck plant worked daily overtime, and the Janesville, Wis., truck plant worked daily and weekend overtime.

Ford slated daily overtime last week at the Atlanta and Chicago car plants and the Kansas City, Mo.; Avon Lake, Ohio; Louisville, Ky.; and St. Louis truck plants.

Chrysler's St. Louis truck plant will work overtime this weekend. ANS